DOCUMENT RESUME

ED 286 695 RC 016 421

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TITLE Appalachian Fegional Commission: 1986 Annual

Report.

INSTITUTION Appalachian Regional Commission, Washington, D.C.

PUB DATE 31 Mar 87

NOTE 112p.; For the 1985 report, see ED 271 284.

PUB TYPE Reports - Descriptive (141)

EDRS PRICE MF01/PC05 Plus Postage.

DESCRIPTORS Census Figures; Community Development; Dropout

Prevention; Economic lly Disadvantaged; *Economic

Development; Elementary Secondary Education; *Financial Support; Health Services; *Job

Development; Planning Commissions; Program Costs; Program Descriptions; Regional Planning; Regional

Programs; *Rural Development; Waste Disposal

IDENTIFIERS *Appalachia; *Appalachian Regional Commission DC;

Highways

ABSTRACT

The Appalachian Regional Commission used its \$120 million appropriation for fiscal year 1986 to create and retain jobs under the jobs and private investment program, provide basic public facilities to the worst-off Appalachian counties under the distressed counties program, and to work toward closing the gaps in the Appalachian Development Highway System that carry the highest volume of traffic and are most critical to economic development. Efforts to make traditional industries more competitive, improve support for homegrown businesses, and enhance the cuality of the Region's educational facilities included testing a new steelmaking process, surveying over 1,500 new Pennsylvania businesses, and training adult literacy tutors. Typical of the 36 projects funded in distressed counties were sewage system upgrades and water tank construction. Technical assistance activities included studies of regional economic competitiveness, effects of oil price changes on Appalachian coal demand, substituting coal for coke, and strategies for Appalachian educational institutions to diffuse technology. Sections of this report cover financial support and distribution of funding by project type and by state. State and regional maps, county population change data, and a directory of local development districts are included. (NEC)

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March 31, 1987

The President The White House Washington, D.C.

Oear Mr. President:

Pursuant to Section 304 of the Appalachian Regional Development Act of 1965, we respectfully submit to you for transmittal to the Congress a report on the activities carried on under this Act during Fiscal Year 1986.

The report outlines the work of the Appalachian Regional Commission with the thirteen states that make up the Appalachian Region.

Ampel Real

WINDRED A. PIZZANO

and a heary

ARCH A. MOORE, JR.
Governor of West Virginia

APPALACHIAN R·E·G·I·O·N·A·L COMMISSION

1986 ANNUAL REPORT





Cover Photograph: Waterfall on Unaka Mountain, in Unicoi County, Tennessee

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Library of Congress Catalog Card Number 66-61155

Appalachian Regional Commission 1666 Connecticut Avenue, N.W. Washington, D.C. 20235



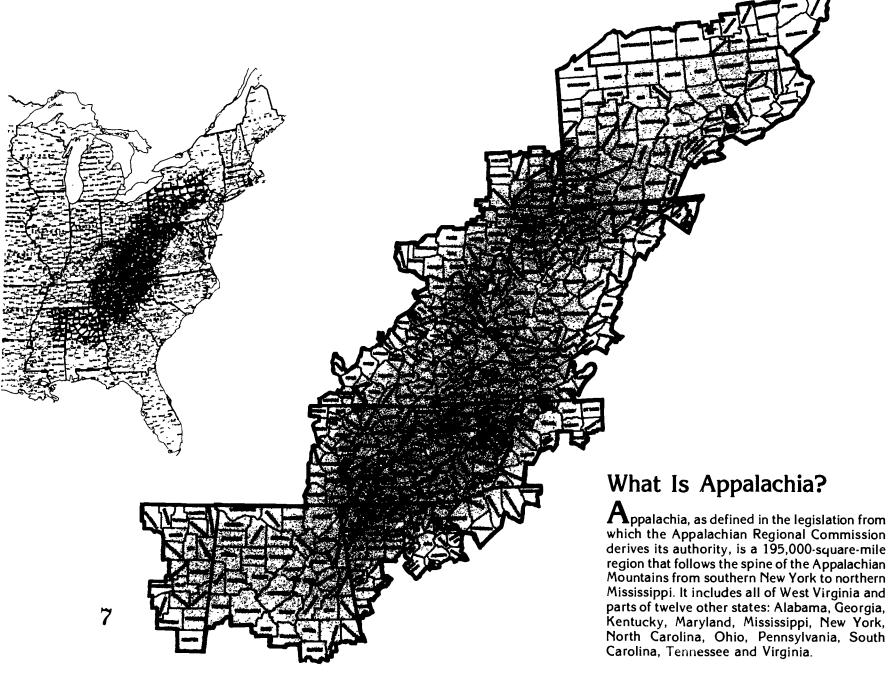
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The Appalachian Region

September 30, 1986





Meeting the Challenge

In pursuit of its goal—to strengthen Appalachia's economy—the Appalachian Regional Commission in fiscal year 1986 embarked on program changes designed to enhance development of the Region's human resources and improve Appalachia's capacity to compete in the national and international marketplace.

By the beginning of the year, it had become clear that Appalachia, like other rural areas, faced an enormous challenge in adapting to rapid technological change, globalization of the economy and shifting demographic and industrial patterns. Entire industries—especially manufacturing, mining and agriculture, on which Appalachia's economy has been based—were under severe stress, with inevitable and permanent loss of jobs.

Roads and water systems were critical to the Region's expansion in the past, but in FY 86 the economic advantages provided by traditional infrastructure were no longer enough. The Commission recognized that in order for Appalachia to compete, new advantages must be forged from other resources, such as a skilled and adaptable work force, the ability of Appalachia's education and research institutions to provide new technologies to industries struggling to modernize and the entrepreneurial spirit that produces new jobs through the formation of small businesses.

Therefore, in addition to highway, community development and vocational training projects, ARC in FY 86 funded a number of innovative projects in an effort to explore ways to make traditional industries more competitive, improve support for homegrown businesses and enhance the quality of the Region's educational facilities. Following are several examples.

- ARC played a key role in testing a new steelmaking process. The new method uses lowgrade coal in a fluidized-bed process that eliminates the need for coke, producing liquid iron at a cost of \$196 per ton, compared with the \$245 cost of the traditional method.
- Small businesses are recognized as the source of most new jobs, but little attention has been paid to how such enterprises get started or manage to survive. A study cosponsored by ARC and the Commonwealth of Pennsylvania surveyed more than 1500 new businesses, producing a generic small business profile, describing their contributions to local economies and highlighting leverage points for state and local agencies to use in deciding where to spend economic development dollars.
- Improving the earning power of small farmers is another Commission concern. In one project, ARC is working with a university to encourage sheep farming in the hills of eastern Kentucky. The university provides local farmers with training and ewes to start flocks. The farmers return one-third of their lambs to the university until they have "paid" for the ewes, and the lambs are then used to start new flocks.
- Another university's agricultural expertise was tapped to help reclaim lands scarred by mining in a project that involves three public and private groups in an experimental reclamation program. Over the next 15 years, the project aims to return 4,000 acres of stripmined land to agricultural production.
- Having completed most of the bricks-andmortar phase of its education program, the Commission in FY 86 continued its efforts to

build a competitive work force by focusing on skills for the future and training and leadership development. For example, Broome Community College responded to the fast growing electro-optics industry in New York's southern tier by developing training courses in fiber optics and electro-optics for industry workers as well as college students.

- The "Forward in the Fifth" project, located in Kentucky's Fifth Congressional District, addresses the related problems of poor economic conditions and low educational achievement by developing local leadership to improve the quality of education throughout the district.
- Adult literacy, a special Commission concern, was addressed through a number of small project grants to rural communities for training tutors or purchasing equipment. These projects, often staffed by volunteers, focus attention on teaching entry-level job seekers and older, dislocated workers to read and write.
- The Commission works at all levels in public and private partnerships to address Appalachia's widely varied economic challenges. For example, with TVA and six other organizations, the Commission participated in FY 86 in a demonstration of the latest innovations in waste water treatment.
- ARC also provided technical assistance to support many local services and industries through such activities as procurement assistance, management training for public utilities and technology transfer.

A more detailed look at the year's activities follows.



The Commission: 1986 in Review

he Appalachian Regional Commission in fiscal year 1986 continued to build on the progress achieved by targeting funds to the Region's areas of most critical development need.

The \$120 million appropriated for FY 86 Commission programs emphasized three major areas: creating and retaining jobs in the Region under the jobs and private investment program; providing basic public facilities in the worst-off Appalachian counties under the distressed counties program; and working to close the gaps in the Appalachian Development Highway System that carry the highest volume of traffic and are most critical to economic development under the Highway Program.

At the same time, new economic challenges were emerging. International and Regional developments, along with the Commission's continuing analysis of the Region's counties and their economic rank among the nation's counties, signaled the need for even greater emphasis than before on certain program areas, such as human resource development.

The Commission continued during FY 86 to stress manpower training and basic skills education projects and to explore ways to reduce the Region's school dropout rate. It also adopted a firm commitment to helping small businesses, the number one source of new jobs, start up and survive under the pressure of a still-fragile economy. The commitment to small business was underlined by ARC sponsorship of a successful two-day conference in September 1986 in Charleston, West Virginia, entitled "Excelling in Appalachia's Changing Economy."

At a Commission meeting following the conference, Federal Co-Chairman Winifred A. Pizzano, Appalachian states' representatives and Commission staff launched an important dialogue. They began initial consideration of

proposals for new directions for the Commission's future programs, aimed at providing the states with more flexibility to capitalize on regional and local economic strengths and to address such problem areas as pockets of economic distress.

Jobs and Private Investment

In FY 86, \$35.8 million was invested by the states in community facilities and human resources to create viable settings for the development of new jobs and private investment in the Region.

Program activities focused on four areas:

- infrastructure. Water and sewer, waste treatment, industrial development and community improvement projects. Sixty-four projects were funded for a total of \$20.4 million.
- human resources. Dropout prevention and literacy projects along with entry-level, upgrading and customized vocational training projects appropriate to labor market demands, and several employer-supported child care projects. Twenty-nine projects received \$7.1 million.
- enterprise development. Assistance to small businesses through funding of state-level enterprise development loan funds and energy-related improvements to industrial incubator facilities. Eighteen projects were funded for \$4.6 million.
- housing. Projects to help meet community needs for additional housing linked to economic growth. Three states recapitalized their Appalachian Housing Funds with a total of \$850,000 in new funding. In addition, 28 new projects were approved utilizing \$1.47 million in funds from Appalachian Housing Funds previously capitalized. These projects will assist in stimulating construction or rehabilitation of 1,240 housing units.



West Virginia Governor Arch A. Moore, Jr., hosted the Commission's 1986 Regionwide conference, a workshop based on the theme "Excelling in Appalachia's Changing Economy." Held in Charleston, West Virginia, September 23-25, the workshop gathered together state and local economic development officials and community and business leaders to discuss ways to support the creation and expansion of small businesses.

Typical projects funded included:

- In Ashland, Kentucky (Boyd County), a \$150,000 grant partially funded installation of a storm sewer to serve an area surrounding the King's Daughters Medical Center, which is both a major employer and a health care provider. Development around the center had overloaded the old system to the point where a moratorium had been placed on new construction. With expanded capacity provided by the new system, the center can proceed with plans for major expansion of the medical facility, resulting in addition of 55 new jobs.
- A \$40,000 site development grant to Parsons, West Virginia (Tucker County), through the West Virginia Housing Development Fund (WVHDF) will provide site development for 20 single family nomes for victims of the devastating 1985 flood. The ARC grant, along with WVHDF funds, will pay for the size and all site improvements and will write down the cost of improved lots from \$9,000 to \$7,000.

A grant of \$300,000 to Courtland, Alabama (Lawrence County), will aid in the redevelopment of a World War II airbase into a publicly owned in lustrial park. Water and sewer improvements funded by the grant will serve new industries locating in the park. Six companies have already announced plans to locate there, with a private investment totaling more than \$6.1 million and an expectation of 210 new jobs by June 1988.

 A number of "school-community partnership" projects were funded with small grants in eastern Kentucky to help improve public and secondary education by suppo: ing the interaction of business, the local communities and schools.

Distressed Counties

Since 1983, ARC has provided special funds for the Region's poorest counties. The 76 counties qualifying for distressed county status in FY 86 were identified on the basis of low per capita income and high rates of poverty, unemployment and infant mortality. As in past years, the thrust of this program was to provide badly needed public facilities, especially systems to furnish clean drinking water and waste disposal to maintain a healthier environment. Under previous program guidelines, most of these counties were too poor to qualify for federal assistance to fund these facilities.

About three-fourths of all distressed county residents live in communities of 25 or fewer homes. A small percentage live in small cities with populations ranging from 5,000 to 7.000.

During FY 36, the states funded 36 projects in these counties, often combining distressed county allocations with funds from other sources, for a total funding of \$6.9 million.

Typical projects funded included:

- Liberty, Kentucky (Morgan County), received \$304,000 to upgrade its sewage system, which was in violation of EPA standards, threatening health and safety in some sections of the community and flooding businesses during heavy rains. A total of 795 residential and commercial customers will be served by the improved system.
- About 5,000 residents of Pickens County, Alabama, including 1,932 rural residential customers, will be served by a new water tank to be constructed with the help of a \$100,000 grant from ARC. The new tank, located in Reform, will replace a 30-year-old tank that is rusting and potentially unhealthy.

 The 22 families of Pruden, Tennessee, located in an isolated area of Claiborne County, will receive public water thanks to a \$88,000 grant from ARC. All homes in the area are currently served by an antiquated and often contaminated well water system. The ARC grant will pay 80 percent of project costs, with the rest derived from local tap-on fees.

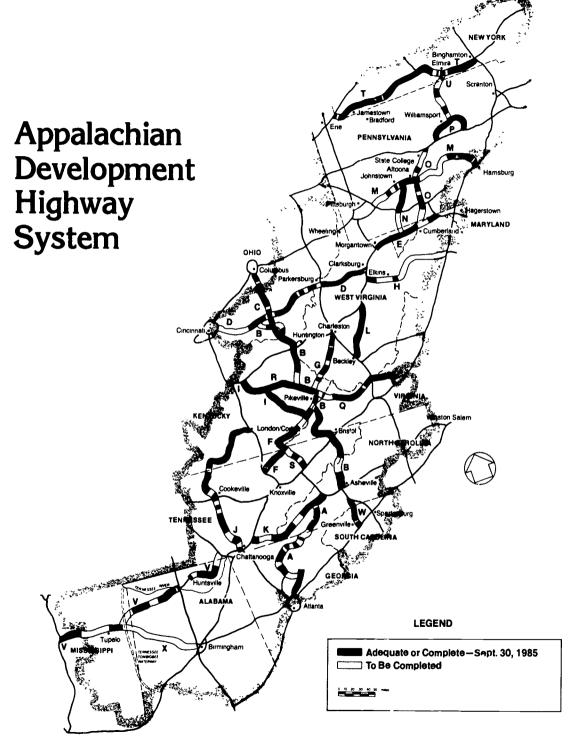
Highways

At the beginning of FY 83, ARC designated 733 of the 1,283 miles remaining to be built in the Appalachian Development Highway System as having the highest priority for completion. The high-priority miles are those that will carry the highest volume of traffic and contribute the most to regional economic development opportunities, eliminate the most restrictive gaps, complete the segments expected to carry the largest volume of coal, and complete the most critical state line crossings. Of the 733 high-priority miles, the states' plans called for about 550 miles to be completed with ARC funds and 183 with funds from other sources.

FY 86 brought encouraging progress on the highway system as a number of states moved ahead faster than expected with pre-financing programs on their uncompleted highway miles. At the end of FY 86, 294.7 of the high priority miles were under construction or complete. Of the projected revised total of 2,477 miles in the system, 1,902.2 miles were complete, an addition of 36.4 miles since the end of FY 85. In FY 86, \$84.8 million was obligated for development highways and \$6.4 million for access reads.

In FY 86, several important corridor sections were opened to traffic:

- ir Alabama, a 6-mile section of Corridor V, west of Decatur
- in Georgia. an 8-mile section of Corridor A, south of Ellijay
- in New York, on Corridor T, a 5-mile section east of Salamanca and a 5.6-mile section east of Corning
- in Tennessee, an 8.5-mile section of Corridor B, south of Johnson City.





Technical Assistance, Research, Workshop

During FY 86, ARC held one major regional workshop and initiated a number of studies involving Regional concerns such as coal, school dropouts and strategies for supporting the growth of business and industry.

Pennsylvania Survey of New Firms. A survey of new firms that had been established between 1979 and 1985 and were still surviving in 1986 was undertaken by ARC and the Commonwealth of Pennsylvania. The survey's immediate finding was a detailed picture of the characteristics of new firms, such as the number of new jobs they created and their contribution to local economies. Over the long range, it highlights the leverage points that public agencies might usc. 1 deciding where to spend limited funds for economic development efforts. Some of the preliminary findings on Pennsylvania new firms include:

- New firms participating in the survey were responsible for 6-14 percent of 1980 total personal income and 9-20 percent of all 1985 iobs.
- The one-third of new firms classified as "high growth" were found to create two-thirds of all jobs and four-fifths of all sales and out-ofstate exports.
- There was a wide variation in interest in services provided by state programs, with high-growth new firms showing the greatest overall interest in employee training, financial assistance and developing managerial and administrative skills.
- People start new firms "at home" where they
 have an established network of business contacts, know the market and have a safety net,
 which strongly suggests that using public
 resources to attract new business from out of
 state is an inefficient way to create jobs.

Regional Economic Competitiveness. Previous Commission research had indicated that a region's ability to compete for industrial growth is based at least in part on availability of the "new infrastructure": access to advanced technological developments; supply of skilled labor. including entrepreneurial talents; and access to capital. In FY 86, ARC commissioned a study to assess the availability and suitability of these infrastructure factors for six industries in Appalachia—autos and auto suppliers, chemicals, telecommunications, instruments, recreation, apparel and textiles, in addition to making this assessment, the study will report on the relative competitiveness of the Region's supply of the new intrastructure and the public and private steps that may be necessary to enhance Appalachia's competitive prospects.

The Effect of Oil Price Changes on Appalachian Coal Demand. The long decline in oil prices has inevitably increased oil use by the major user of Appalachian coal, the electric utility industry, which can burn either coal or oil in many plants. Foreign prospects for Appalachian coal also have turned down as foreign users switch back to oil or curtail conversion plans. ARC has undertaken a study that looks at potential future directions for oil prices in order to forecast short-term and long-term effects on demand for and availability of Appalachian coal and the impact on employment in the mines. The study will also suggest possible coal industry responses to the situation.

Substituting Coal for Coke. West Virginia coal was shipped to West Germany, with ARC assistance, to test American coal in a direct reduction method of making iron that substitutes coal for coke. The KR process could benefit both the coal industry and the nation by dramatically cutting the cost of iron manufacturing and eliminating the environmentally hazardous coking process. Based on the successful trial run in Germany, the Department of Energy is negotiating with the Weirton Steel Corporation to begin testing the KR process in Weirton's West Virginia plant. If the new process lives up to its promise, it could open new markets for Appalachian coal.

Strategies for Appalachian Educational Institutions to Diffuse Technology. Over 90 percent of the 137 educational institutions responding in this study transfer knowledge of new technologies to existing firms or entrepreneurs wishing to establish new firms. The obstacles to providing more services by the schools included lack of staff capacity or capability, inability of firms to pay the full costs of assistance, and demand for results more quickly than the schools could provide them. Innovative programs in the Region linking higher education institutions and industry are listed in the study report.

The People and Economy of Southwest Virginia. Background information was developed in a study for the Southwest Virginia Economic Development Commission to aid its efforts to promote economic activity in the region. In the study, the area is geographically defined, statistical information is provided, the region's basic private industries are analyzed, and key elements for economic development in the area are examined.

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School Dropout Prevention Program. The Commission continued its efforts to find solutions to the school dropout problem, participating through FY 86 in the funding of 46 dropout prevention projects and 7 technical assistance efforts designed to increase the capacity of local school districts to implement successful dropout prevention programs.

One of these projects received substantial complementary funding from private sources: The Levi Strauss Foundation contributed \$71.600 and the Ford Foundation gave \$60,000 to the 70001 Training and Employment Institute to be used with a \$43,000 grant from ARC to help six school systems buy equipment and fund motivational training and basic skills programs to help potential dropouts stav in school, 70001 is a nonprofit organization that helps disadvantaged school dropouts receive job training and placement and finish their educations. The school systems in this project are located in Fayette County, Alabama; Bartow County, Georgia; Laurel County, Kentucky; Tupelo, Mississippi; Noxubee County, Mississippi; and Avery County, North Carolina.

ARC also began to focus on public perception of the extent of the school dropout problem. A survey funded by the Commission in three typical Appalachian communities with dropout

ARC Federal Co-Chairman Winifred A. Pizzano has led the Commission's initiative to reduce school dropout rates throughout the Region. By the end of FY 86, ARC had made more than \$2 million available for dropout prevention projects. Left, Pizzano presents a \$100,000 grant to Appalachian State University, in Boone, North Carolina, to develop a model curriculum to train teachers throughout the Region in dropout reduction.



rates ranging from 24 to 50 percent showed that public awareness of the problem is extremely low: The majority of respondents believed that the dropout rate in their communities was less than 10 percent, and up to 70 percent were not aware of any community or statewide dropout prevention programs. The Commission began to develop public information materials that can be used by communities throughout Appalachia to increase public understanding of the problem's seriousness—the first step toward creating community-based attempts to lower dropout rates.

Charleston, West Virginia, Workshop. The commission's 1986 Regionwide workshop, held September 23-25 in Charleston, West Virginia, was built on the theme "Excelling in Appalachia's Changing Economy." Aimed at stimulating the creation of new jobs, especially through the creation and expansion of small businesses, the workshop attracted 200 participants from throughout the 13 Appalachian states, including state and local officials and business leaders. The workshop was one in a continuing series of ARC activities aimed at boosting the Region's economy through concentration on fields with a special potential for job creation. One of the most promising of these is small business, which accounts for most of the nation's new iobs.

Federal Co-Chairman Winifred A. Pizzano and West Virginia Governor Arch A. Moore, Jr., headed a roster of guest speakers which also included Morris Tannenbaum, vice chairman of the board of AT&T, and John W. Snow, chairman and CEO of CSX Rail Transport Group, and some 30 panelists from all sectors of the private and public economic development and business communities.

The workshop provided participants with a look at new development in such areas as: capital opportunities and sources for business start-ups and expansions; market development strategies for entrepreneurs and emerging and growth industries; untapped markets for old and new products to stimulate growth in small businesses; and the importance of technological innovation and technology transfer.

Health-Related Research Projects. In light of ARC's long-standing commitment to and investment in health care services and the difficulties currently faced by many small hospitals in the Region, work began in FY 86 on development of two research proposals to address the impact on Appalachia of recent changes in the health care industry. One study will examine the impact of the Medicare prospective payment system on rural hospitals; the other will focus on issues affecting access to adequate health care for medically indigent Appalachians.

Commission Meeting, New Directions and 1983-85 Program Review

At a Commission meeting following the Charleston workshop, Federal Co-Chairman Winifred A. Pizzano introduced to the Appalachian states' representatives proposals that she and staff had developed to address a possible redirection of future Commission programs to deal more effectively with continuing changes in the Appalachian economy precipitated by world and national events.

In addition a broad review of ARC accomplishments during fiscal years 1983 through 1985, showing significant progress toward meeting the Region's needs in health care, education and the creation and retention of jobs, was presented at the meeting.

New Directions

The need to reassess past program strategies and develop new ones stemmed from several factors. Although the program outlined in the Appalachian governors' 1981 Report to Congress had succeeded in focusing ARC resources on specific targets of need, appropriations had been below the program's projected budgets. At the same time, Appalachia's economy had not rebounded from the recession in pace with the national recovery: Employment growth in the Region from 1981 to 1985 had been flat, compared with the national growth rate of 7.7 percent.

In addition, the Appropriations Committees of both the Senate and House of Representatives had urged the Commission to continue human resources programs to address several persistent Regional problems, such as the high rate of school dropouts.

The September Commission meeting represented an initial opportunity to begin the process of considering several possible areas of change suggested by Federal Co-Chairman Pizzano and others interested in ARC.

Pizzano noted at the meeting that her suggestions were aimed at stimulating extensive debate among the states. Meetings between the federal co-chairman and the states' representatives were planned for later in the year for



these discussions, with the goal of developing concrete proposals that could be considered by Commission members at a governors' quorum meeting in February 1987.

Topics presented at the September 25 meeting as an agenda for future discussions included:

- Should the jobs and private investment program be continued or should scarce APC resources be focused in other ways?
- Should the Commission consider adoption of "themes" to target resources? For example: education, including drop-out prevention, literacy and vocational education initiatives; productivity, incorporating technology transfer, job training and entrepreneurial development; and market expansion, targeting on export development.
- How can governors best take advantage of ARC's flexible funding for strategic planning and improvement of their state's economic competitiveness?
- What "basic services" should the Commission continue to assist and under what circumstances? Should distressed county criteria be reworked? Should state-designated enterprise zones be eligible for assistance? Should additional data from Regional analysis be used to designate eligibility?
- Should ARC support be limited to areas performing below national averages?
- Should restrictions adopted in the finish-up program relating to operating grants, support for general education and construction of certain facilities be retained or modified?
- How should matching share requirements be changed to better respond to congressional concerns?

Program Review, 1983-85

The 1981 governors' Report to Congress called for targeting funds to projects in the area development program with the most immediate payoff. In particular, Commission funds during this period were to:

- create and retain jobs in the Region
- upgrade manpower for Regional jobs
- attract private investments
- provide basic services to the 900,000 Appalachians living in the most distressed and underdeveloped counties
- bring primary health care within reasonable commuting distance of people throughout the Region.

A summary of fiscal years 1983, 1984 and 1985 showed the following accomplishments. **Jobs and Private Investment:** \$101.5 million approved for 539 projects was combined with \$1 billion in private investments to create and retain over 81,000 jobs. The projects funded included the following:

- 130 water/sewage projects to meet industry expansion and relocation created more than 19,000 jobs with an ARC investment of \$34.3 million.
- 51 enterprise development projects totalling \$12.7 million were approved for such activities as energy revolving loan programs, incubator facilities, business planning and technology transfer.
- 56 grants totalling \$8.6 million assisted in implementation of technical assistance, research, planning, energy conservation studies and flood control projects.
- 23 Community improvement projects received \$5.8 million of Jobs and Private Investment Program funds to assist in the development of shopping malls, office complexes and industrial and commercial expansion.

Housing: 110 project approvals totaling \$8.6 million provided 4,616 housing units for low-and moderate-income families. The ARC investment leveraged \$104.5 million in public funds and \$42.9 million in private funds (cash, equity, conventional loans and bond financing). Education: \$11.5 million for 153 projects was approved to support upgrading manpower in

- \$7.3 million was invested in 67 vocational education projects, 53 of which involved the purchase of equipment; another \$1.8 million was invested in 18 basic skills projects.
- 49 dropout prevention projects were approved in FY 85 (the first year the Commission made funding available for dropout prevention activities). Some of these projects are providing alternative classes or curriculums, or tutoring, while others are helping to raise public awareness of the problem by involving the community, especially businesses/industries (see page 6).
- \$900,000 was invested in 17 projects in 13 states under Resolution 555, which emphasized the need to link education and economic development. (Projects under this resolution were approved only in fiscal years 1983 and 1984.)
- 40,000 students were provided with basic skills or vocational education opportunities.
- One manpower development program (a nurse training program) was approved in Central Appalachia, an area of high unemployment due to the decline in the coal and steel industries.

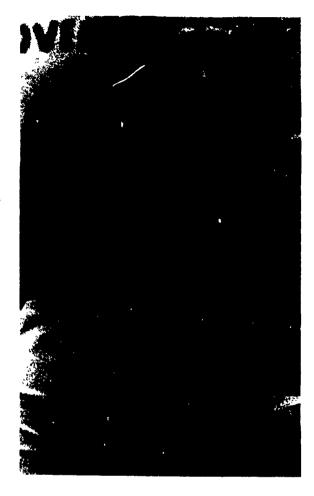
Employer-Related Child Care: 16 employer-related child care projects were approved totaling \$4.2 million. These investments were designed to meet the needs of specific industries and their employees under the Commission's jobs and private investment program.

Health: By the end of FY 85, the final year of the program, \$11.7 million of ARC funds had been combined with \$15.5 million of other resources in 123 projects serving a minimum of 222,000 persons and providing for:

- basic primary care projects reaching an estimated 195,000 people in 41 of the 65 eligible counties (63 percent), with physician recruitment reaching at least an additional 12 of the designated counties (18 percent)
- prenatal or related care to some 27,000
 maternity cases in 24 of the 32 designated
 counties (75 percent), and in 27 of the
 originally designated 33 counties (82 percent), with physician recruitment reaching an
 additional two of the eligible counties
- construction of 13 primary care sites and major renovation of 9 others
- placement of approximately 350 physicians in underserved areas through six state recruitment programs initiated with ARC assistance.
 Distressed Counties: With \$45.8 million in approved funds, 279,600 people in ten states

benefitted through 281 projects, including:

- 98 projects directly related to improving the quality of water by either constructing new systems or renovating and/or extending existing systems. Approximately 96,000 persons received clean drinking water.
- 23 projects related to constructing, extending or renovating existing sewerage systems. Approximately 61,000 persons were served with adequate liquid disposal systems.



"Forward in the Fifth," a project launched with aid from many sources, including ARC, in Kentucky's Fifth Congressional District, helps develop local leadership to upgrade the quality of education and economic opportunity. Lesile Lewis, above, is a third-grade teacher in Camp Group School in Laurei County, located in the district.

- Four projects allowed their communities to improve upon both water and sewer systems, which affected 3,000 persons.
- Six projects provided affordable, countywide solid waste disposal systems. Approximately 104,000 people were served.
- Five projects ware approved in the "other basic services" category. Two projects related to housing rehabilitation affected 60 families and the third project purchased fire-fighting equipment for a rural fire protection program impacting on 10,000 county residents. The fourth project impacted on the safety of the approximately 700 persons of Cherry Township, Pennsylvania. The fifth project, fire equipment, benefitted approximately 5,600 people.
- 15 projects were funded under the criteria of the jobs and private investment program in distressed counties.

The Region's Economy

During FY 1986, ARC continued to compare the performances of Appalachian counties with those of counties throughout the rest of the nation to define Appalachia's standing in the national economy. Based on such indicators as population, income and employment, the counties can be described as follows.

Nineteen of the Region's counties are doing very well, with growing labor forces, increasing numbers of employed people and unemployment at or below the national average. In this category are a few Southern counties that have successfully developed second home, recreation or retirement communities.

Another 70 counties show signs of strong economic performance. These counties are concentrated along the eastern boundary of the



Region and are primarily associated with major metropolitan or other growing areas of the middle Atlantic and Southeast.

Below these is a group of counties broadly diverse in size, character and economic capacity. Each Appalachian state part has some of these counties. In general, counties in this group are benefitting from the Appalachian Development Highway System, which opens new employment opportunities. Residents include displaced workers or the structurally unemployed, who may be either seeking retraining or simply out of the work force. Traditional manufacturing jobs have been lost in these counties; lower paying service jobs are on the increase.

This pattern shows up clearly in several areas. For example, Appalachian New York and Pennsylvania are adjusting to new economic realities. Outmigration is common and the number of unemployed is declining faster than the national rate in most of the Appalachian counties of these two states.

The unemployment in counties where jobs were lost in manufacturing is very different from the unemployment in counties that depend on coal for jobs. The former are diversifying and changing employment structure, while the phenomenal rise in coal industry productivity due to automation means a permanent loss of jobs with no immediately apparent alternatives.

The mostly rural counties along the western edge of Appalachian Ohio and Kentucky exemplify a divergent trend. They are tied to ur-

ban areas just outside the Region, such as Columbus and Cincinnati, Ohio, and Frankfort and Lexi..gton. Kentucky, and new jobs are developing in the area between Interstates 65 and 75 in Kentucky. Most of these counties experienced growth in population, labor force and number of employed between 1980 and 1986 that was at least above the Region's average growth rate and often better than the national growth rate. New jobs in factories and computer services are being created, and new hotels, restaurants and shopping centers have been built.

Unemployment rates in this area were higher than the Regional rate (9.3 percent) between January and June 1986, which suggests that people may be entering the labor force expecting to find jobs at a faster pace than new jobs are appearing. Jobs are being created, but it will take time to absorb all the new labor pool entrants.

In Appalachian Tennessee, the counties near the Tri-Cities-Knoxville-Chattanooga corridor show an increase in population, labor force and number of employed. These counties frequently have a diversified mix of industries.

The counties surrounding Birmingham and Huritsville, Alabama; Tupelo, Mississippi; and the Georgia counties outside the Atlanta area also exhibit some positive economic indicators, although population loss continues and unemployment rates remain high. Some industries in these counties, especially the textile industry, have worked hard to modernize to remain competitive. Future development associated with the Tennessee-Tombigbee Waterway may enhance the economy of this area.

Economic development problems in a group of nearly 90 distressed counties remain persistent and severe. (Appalachia contains a third of the counties nationwide that meet ARC's definition of chronically distressed). These counties are overwhelmingly rural, isolated and dependent on single industries such as coal mining, timber, farm production or obsolete primary and labor-intensive manufacturing industries such as textile and apparel manufacturing. They are concentrated in central Appalachia and northeast Mississippi. Although some of the counties have shown modest population and employment growth, their rates of poverty, low-wage earnings and unemployment are consistently behind the rest of the nation's counties.

The Immediate Future

Despite the obstacles suffered by the Region in recent years, Appalachia's economy shows significant overall improvement in economic performance, economic diversification and reduction in the number of high-poverty counties since 1965. The Appalachian Regional Commission has seen its economic development program pay off in improved physical and social infrastructure, development of a skilled and adaptable work force, new avenues to technology and capital and a healthier entrepreneurial climate. Its programs are complemented by strong state and local institutions with their own development programs.

But the Region's unemployment rate remains higher than the nation's (8.7 for Appalachia in 1986 compared with 7.0 for the nation), and the Regional county analysis shows that economic progress remains uneven.

10

In FY 86, ARC and the Commonwealth of Pennsylvania cosponsored a major study of Pennsylvania small businesses to help guide decisionmaking on the most effective use of public funds to support small business development. One of the firms participating in the study was McCartney Enterprises, of Bedford, Pennsylvania, a manufacturer of wire rope assemblies, whose products and staff are shown at right with founding partner and president Sarge Aucoin in the foreground.



Finances

In the over 20 years the Appalachian Regional Commission has been in existence, Congress has appropriated slightly over \$5.4 billion for the Appalachian program, through September 30, 1987 (see Table 1 on page 13). Of this total, \$3.4 billion has been for the highway program and \$2 billion for the nonhighway program. Appropriation levels, which reached a high of \$381 million in 1979, have been reduced substantially in recent years to \$105 million in 1987.

Authorizations and Appropriations

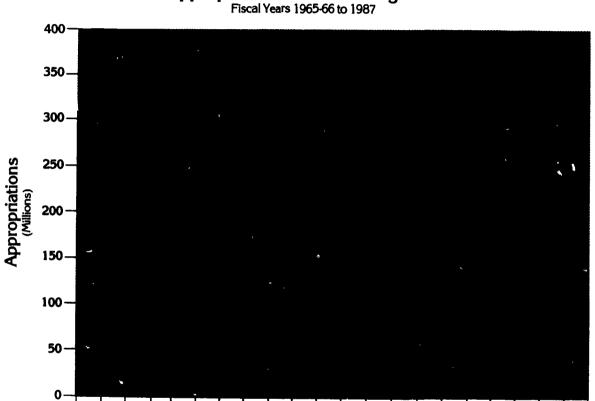
The federal share of ARC funding is usually provided by Congress in two stages, first authorizations and then appropriations, as is the case with most federal programs. Authorizations establish both the scope of program activities and the maximum limits on amounts that may be made available to carry out these programs. For the Appalachian program, authorizations of funds for the nonhighway portion of the program have been provided for two-year periods, and for the highway program for longer periods, usually four to five years.

Within the ceilings established by the authorizations, Congress has provided annual appropriations for the Appalachian program, generally not for the full amounts authorized. Since 1:83, appropriations have been provided extending the program although authorization bills have not passed Congress.

Highway Funds

The original amount authorized for the ARC highway program in 1965 was \$840 million and covered a six-year period, to 1971 (see Table 2 on page 14). Since that time Congress has raised the total authorization through annual incre-

Appropriations for ARC Programs





32

71 72 73 74 75 76 77 78 79 80 81 82 83 84 85 86 87

Table 1
Appropriations for Appalachian Regional Development Programs
(in thousands of dollars)

			Nonhighway		
Fiscal Year	Highway	Area Development	LDD and Technical Assistance	Administration	Total
1965-66	\$ 200,000	\$ 103,450	\$ 2,500	\$ 1,290	\$ 307,240
1967	100,000	54,700	2,750	1,100	158,550
1968	70,000	55,100	1,600	746	127,446
1969	100,000	70,600	3,000	850	174,450
1970	175,000	161,958	5,500	932	283,390
1971	175,000	119,500	7,500	968	302,968
1972	175,000	115,000	7,000	1,113	298,113
1973	205,000	127,000	11,000	1,217	344,217
1974	155,000	107,500	7,500	1,492	271,492
1975	160,000	125,000	8 500	1,747	295,247
1976	162,200	117,500	8,500	1,870	290,070
Transition Quarter	37,500	8,000	4,500	495	50,495
1977	185,000	109,500	8,500	1,925	304,925
1978	211,300	105,000	7,400	2,083	325,783
1979	233,000	137,923	7,700	2,297	380,920
1980	229,000	120,000	7,500	3,105	359,605
1981	214,600	78,400*	6,300*	3,192	302,492*
1982	100,000	44,200	5,800	2,900	152,900
1983	115,133	45,000	5,000	2,900	168,033
1984	169,400	45,000	5,000	2,700	162,100
1985	100,000	44,000	5,000	2,300	151,300
1986	81,345*	* 30,060**	3,435**	2,105**	116,945**
1987	72,800	27,000	3,000	2,200	105,000
Total	\$3,366,278	\$1,891,391	\$134,485	\$41,527	\$5,433,681

^{*}After rescission

ments to \$3,622.3 million through 1987 as more miles have been added to the system and as the costs of construction have risen with inflation. Neither the original authorization nor the increased funding, however, would be enough to complete the system. The total amount actually appropriated to date for highways, through fiscal 1987, is \$3.4 billion. Beginning in FY 82, appropriations have been utilized to advance a more limited highway finish-up program proposed by the Commission in 1981.

Nonhighway Funds

Appalachian nonhighway funds have been used for a number of programs, including health, vocational and other education, mine area restoration, housing, water and sewer treatment, other community facilities, land stabilization, timber development, support of the multicounty local development districts (LDDs), technical assistance and supplemental grants. Originally, these funds were allocated to each state in a specific amount for each program then in existence. In 1971, Congress gave the Commission greater flexibility to invest funds according to individual state priorities by allowing the Commission to determine the level of funds in each program area. To implement this, the Commission designed a new allocation system under which each state was given a single allocation, called an area development allocation, for four major programs: health and child development, vocational education, mine area reclamation and supplemental grants. Each state could determine how much of its area development allocation it wanted to use for each of these programs.



^{**}After sequestration

Table 2
Appalachian Highway Authorizations

(in millions of dollars)

			Amount of Authorization				
Appalachian Legislation	Period Covered		Added	Cumulative			
1965 Act	through	1971	\$840.0	\$ 840.0			
1967 Amendments	through	1971	175.0	1,015.0			
1969 Amendments	through	1973	150.0	1,165.0			
1971 Amendments	through	1978	925.0	2,090 0			
1975 Amendments	through	1981	840 0	2,930 0			
1980 Amendments	through	1982	260.0	3,190.0			
1982 Reconciliation Act	through	1982	- 50.0	3,140 0			
1983 Appropriation Act	through	1983	115 1	3,255.1			
1984 Appropriation Act	through	1984	109.4	3,364.5			
1985 Appropriation Act	through	1985	100 0	3,464.5			
1986 Appropriation Act	through	1986	81.4	3,545.9			
1987 Appropriation Act	through	1987	72 8	3,622 3			

Cumulative authorization through 1987. \$3,622.3 million Expired authorization: \$251.9 million Cumulative appropriation through 1987: \$3,370.4 million

In 1975, this single allocation system was expanded to cover all ARC nonhighway programs, except for Commission research and evaluation and the support of the LDDs.

With the 1981 appropriation, ARC began to implement the nonhighway portion of the more limited governors' finish-up program with allocations by state to the jobs and private investment, distressed counties and LDD support programs. The health finish-up and technical assistance funds were provided regionwide without individual state allocations.

Sources of Funding

The commitment of the federal-state partners to the ARC process is demonstrated by the fact that the responsibility for funding is shared just as the decision-making process is. Appalachian and other federal funds have made up 61 percent of the total costs of all Appalachian projects (64 percent of highway projects and 59 percent of nonhighway projects—see Table 3 on page 15). The remainder of the costs has been paid by state, local and/or private funds, so that the federal government on the one hand and state, local and private funds on the other have invested close to equally in the program.

Over the years, the federal share of funding for grant-in-aid projects had been increased by legislation, and this increase was reflected in the Appalachian program. During the initial years, the federal share of the ARC highway program was slightly over 50 percent, but it was 71 percent in fiscal 1986. The federal share of the non-highway funding has also risen over the years, although not so steeply—from an original share of about 50 percent to 59 percent in 1986 on a cumulative basis.

Table 3
Distribution of Total Cost Among Sources of Funds for Approved Projects

(in millions of dollars)

	Highway Projects		Nonhighway Projects				All Projects					
	1	986	Cumul	ative	19	86	Cumul	ative	19	86	Cumula	tive
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
ARC Funds Other Federal Funds	\$ 92.5 ————	70.5% 	\$ 3,259.9 —————	64.2% 	\$ 48.0 35.4	32.9% 24.2	\$ 2,018.9 1,972.7	29. 8 % 29.1	\$ 140.5 35.4	50.7% 12.8	\$ 5,278.8 1,972 ⁷	44.5% 16.6
Total, Federal	\$ 92.5	70.5%	\$ 3,259.9	64.2%	\$ 83.4	57.1%	\$ 3,991.6	58.9%	\$ 175.9	63.4%	\$ 7,251.5	61.2%
State Funds Local Funds	\$ 38.1 0.6	29.0% 0.5	\$ 1,802.5 16.8	35.5% 0.3_	\$ 16.2 46.5	11.1% 	\$ 593.8 2,190.3		\$ 54.3 47.1	19.6% 17.0	\$ 2,396.3 2,207.1	20.2% 18.6
Tot al, S tate and Local	\$ 38.7	29.5%	\$ 1,819.3	35.8%	\$ 62.7	42.9%	\$ 2,784.1	41.1%	<u>\$ 101.4</u>	36.6%	\$ 4,603.4	38.8%
Total Eligible Costs	\$ 131.2	100.0%	\$ 5,079.2	100.0%	\$ 146.1	100.0%	\$ 6,775.7	100.0%	\$ 277.3	100.0%	\$ 11,854.9	100.0%

Ineligible costs of projects, which are not eligible for matching federal grants, must be borne by the applicants. Note Totals and percentages may not add because of rounding

Supplemental Grants

Because of their rural character, their relative poverty and their low tax bases, many Appalachian states and communities found it difficult to ome up with the matching share required by law in many programs before federal funds can be granted. Although they were eligible in all other ways for grants for the construction of basic public facilities, before the existence of ARC they often could not take advantage of a number of federal programs.

In response to this problem, Congress designed a unique feature of Appalachian legislation, the supplemental grant program. Under this program, the federal share in grant programs may be raised (from the usual 30 to 66

percent) to as much as 80 percent of the cost of construction so that the state or community can participate by putting up as little as 20 percent as its matching share. The Appalachian states have used supplemental grants to construct many types of public facilities, including vocational education schools, colleges, health facilities, water systems, sewage treatment plants, recreational facilities, libraries and airports.

Each year the Commission utilizes supplemental grant funds in a slightly different manner, in accordance with priorities determined at the time of the Appalachian states (see Table 4 on page 16). The proportion used for water, sewer and sewage treatment facilities, which previously amounted to about 20 percent of

these funds, rose steadily—from 38 percent in fiscal year 1973 to nearly 70 percent in fiscal year 1978—and then dropped to 52 percent by 1981; by 1986 it was up again to 83.3 percent. In 1984 and 1985 industrial site development and community improvement utilized 26 percent of these funds.

Health facil ies, on the other hand, which once accounted for about 26 percent of these funds, utilized about 17 percent in 1975 and dropped to less than 2 percent in 1980 and less than 1 percent in 1981 and 1982. The share of education projects dropped from an earlier 57 percent to about 7 percent in the 1980–82 years. Both health facilities and education had no supplemental grants in 1985 or 1986.



It should be noted, however, that these amounts do not reflect completely the amounts of ARC funds used for construction of health and vocational education facilities since these were also funded under ARC's basic health and vocational education programs.

Under the 1986 program ARC funds comprised about 21 percent of total funding of projects receiving supplemental grant funding, with other federal funds providing about 36 percent and state and local funds providing 43 percent.

Table 4
Supplemental Grant Projects Approved by Type of Program
(in thousands of dollars)

		1986 Progra	am			Cumulative rough 1986	
Community Development	No.	Amount	Percent	No.		Amount	Percent
Water System	33	\$ 6,708	36.9%	736	\$	198,161	25.6%
Water and Sewer	13	2,372	13.1	136		33,260	4.3
Sewage System	27	6,050	33.3	5 9 0		116,212	15.0
Recreation and Tourism	_	_		149		23,503	3.0
Community Improvement	1	150	0.8	98		24,271	3.1
Industrial Site Development	10	2,828	15.6	230		58,235	7.5
Airports	_		-5.0	154		18,880	2.4
Solid Waste	1	51	0.3	51		7,678	1.0
Other	1	8	0.0	21		4,046	0.5
Subtotal	86	\$ 18,167	100.0%		\$	484,246	62.4%
Education							
Vocational Education	_	_	_	586	\$	84,453	10.9%
Higher Education	_		_	241	٧	62,396	8.0
Libraries	_	_	_	174		21,322	2.8
ETV and NDEA		_		103		14,723	1.9
Subtotal				1,104	\$	182,895	23.6%
Health Facilities		_	_	457	\$	108,220	14.0%
Total	86	\$ 18,167	100.0%	2.622	\$	775,361	100.0%
Funding						,	100.070
ARC Supplemental Grants		\$ 18,167	21.1%		\$	775,361	18.9%
ARC Other Funds		,	0.0		*	146,016	3.5
Other Federal Funds		30,974	36.0			1,491,347	36.3
Total Federal							
i otal redelal		\$ 49,142	57.1%		\$2	,412,723	58.7%
State and Local Funds		36,869	42.9		_1	,697,558	41.3
Total		\$ 86,010	100.0%		\$4	,110,282	100.0%

Note Totals and percentages may not add because of rounding



PROJECT TOTALS FISCAL YEAR 1986



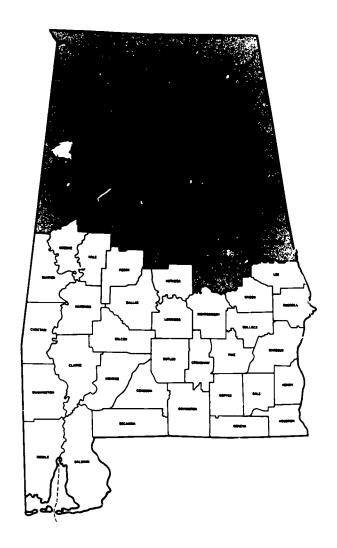
APPALACHIAN R·E·G·I·O·N·A·L COMMISSION

Nonhighway (Projects Approved)	No. of Projects		ARC Funds	Percent of ARC Non- highway Funds		Other Federal Funds	a	State and Local Funds		Total Eligible Cost
Child Development	3	\$	227,915	.5%	\$	42,602	\$	239,504	\$	510,021
Vocational Education and	_									
Other Education	25		4,011,923	8.4		189,087		2,676,912		6,877,922
Community Development	100		26,356,318	54.9		30,974,156		43,716,090		101,046,564
Energy and Enterprise										
Develop m ent	26		4,906,362	10.2		873,376		4,421,733		10,201,471
Environment and Natural										
Resources	2		116,150	.2		0		143,850		260,000
Other Programs and Special										
Dem onstrations	6 3		2,320,000	4.8		392,000		2,750,000		5,462,000
Housing	3		850,200	1.8		0		40,000		890,200
Local Development District										
Planning and Administration	67		4,132,412	8.6		2,756,507		5,269,196		12,158,115
Research and Technical										
Assistance	_59		5,095,648	10.6	_	138,125		3,653,698	_	8,887,471
Total	291	\$	48,016,928	100.0%	\$	35,365,853	\$	62,910,983	\$	146,293,764
Highway (Funds Obligated)										
Appalachian Development Highway										
System and Access Roads		\$	92,472,401			<u>n.a.</u>	\$	38,668,279	\$ 	131,140,680
Grand Total		\$1	40,489,329		\$	35,365,853	\$1	01,579,262	٠ ;	285,967,193



Alabama

Population (in thousands)	1980	1985	Percentage of Change 1980-85
State Total	3,893.9	4,021.0	3.3%
Total of Counties in Appalachia	2,430.2	2,510.8	3.3%
Bibb Blount Calhoun Chambers Cherokee Chilton Clay Cleburne Colbert Coosa Cullman De Kalb Elmore Etowah Fayette Franklin Jackson Jefferson Lamar Lauderdale Lawrence Limestone Madison Marion Marshall Morgan Pickens Randolph St. Clair Shelby Talladega Tallapoosa Tuscaloosa Walker Winston	15.7 36.5 119.8 39.2 18.8 30.6 13.7 12.6 54.5 11.4 61.6 53.7 43.4 103.1 18.8 28.4 671.4 16.5 80.5 30.2 46.0 197.0 30.0 65.6 90.2 21.5 20.1 41.2 66.3 73.8 38.8 137.5 68.7 22.0	16.8 37.0 124.6 40.4 20.1 31.4 13.6 12.9 54.3 11.3 64.2 55.2 47.4 103.5 18.9 28.4 52.0 676.6 16.5 81.9 31.5 48.5 219.3 31.0 69.4 95.7 21.7 20.4 45.1 75.5 75.3 39.3 139.1 69.5 22.4	6.6% 1.5 4.1 3.0 6.9 2.4 - 0.8 2.0 - 0.4 - 0.3 4.2 2.9 9.2 0.4 0.3 1.2 0.8 0.0 1.7 4.3 5.5 11.3 3.3 5.8 6.0 1.2 1.6 9.4 13.9 2.0 1.4 1.2 1.4 2.0



Source U.S. Bureau of the Census. 1980 Census of Populations, July 1, 1985. estimates. Tables processed from computer data derived by ARC Staff. Percentage of change calculated from unrounded numbers.

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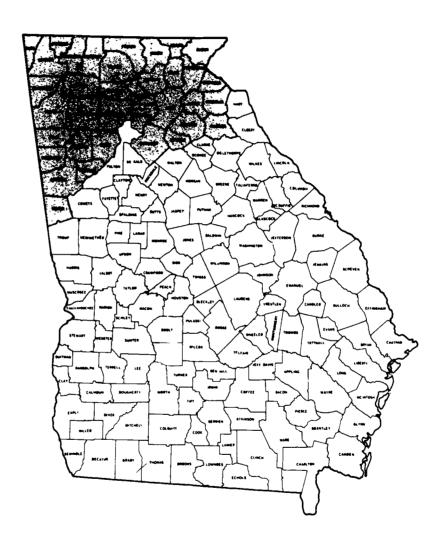
Project Totals in Fiscal Year 1986

Nonhighway (Projects Approved)	ARC Funds	Other Federal Funds	State and Local Funds	Total Eligible Costs
Child Development	\$ 3,698	\$ 0	\$ 0	\$ 3,698
Vocational Education and Other Education	2,161,742	84,360	119,682	2,365,784
Community Development	3,267,392	1,207,467	3,421,986	7,896,845
Other Programs and Special Demonstrations	1,270,000	0	200,000	
Local Development District	1,210,000	V	200,000	1,470,000
Planning and Administration	383,000	0	384,097	767.007
Research and Technical Assistance	1,750,000	0	1,400,240	767,097
			1,400,240	3,150,240
Total	\$ 8,835,832	\$ 1,291,827	\$ 5,526, 00 5	\$ 15,653,664
Highway (Funds Obligated)				
Appalachian Development Highway System				
and Access Roads	\$ 18,160,677	n.a.	5,610,589	23,771,266
Grand Total	\$ 26,996,509	1,291,827	11,136,594	39,424,930



Georgia

Population (in thousands)	1980	1985	Percentage of Change 1980-85
State Total	5,463.1	5,976.0	9.4%
Total of Counties in Appalachia	1,104.0	1,281.9	16.1%
Banks	8.7	9.9	14.1%
Barrow	21 4	24.9	16.5
Bartow	40.8	45.5	11.7
Carroll	56.3	63.3	12.3
Catoosa	37.0	39.5	6.8
Chattooga	21.9	21.5	- 1.8
Cherokee	51.7	68.6	32.7
Dade	12.3	11.7	-4.8
Dawson	4.8	6.3	32.5
Douglas	54.6	6 5.5	20.1
Fannin	14.7	15.4	4.3
Floyd	79.8	78.7	- 1.4
Forsyth	28.0	35. 6	27.3
Franklin Gilmer	15.2	15.6	3.0
Gordon	11.1	12 2	10.0
Gwinnett	30.1	32.9	9.6
Habersham	166.8	253.0	51.7
Hall	25.0	26.9	7.6
Haralson	75.6 18 4	84.0	11.0
Heard	6.5	20.0	8.4
Jackson	25.3	6.9	62
Lumpkin	2 J.J.	27.6 12.0	89
Madison	17.7	19.2	11.3
Миггау	19.7	21.7	83
Paulding	26.1	30.6	10.3
Pickens	11.7	13.3	17.2 13.9
Polk	32.4	33.5	3.6
Rabun	10.5	10.8	3.0 3.2
Stephens	21.8	22.4	2.9
Towns	5.6	62	2.9 9.4
Union	9.4	10.5	12.2
Walkei	56.5	56.3	- 0.4
White	10.1	11.4	12.8
Whitfield	65.8	68.4	4.0
			7.0



Source US Bureau of the Census. 1980 Census of Populations, July 1, 1985, estimates Tables processed from computer data denved by ARC Staff Percentage of change calculated from unrounded numbers

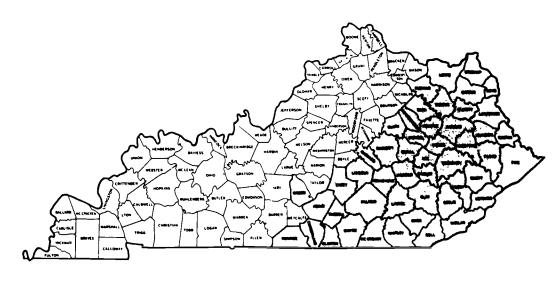
Project Totals in Fiscal Year 1986

Nonhighway (Projects Approved)	ARC Funds	Other Federal Funds	State and Local Funds	Total Eligible Costs
Community Development Local Development Districts Planning and Administration Research and Technical Assistance	\$ 1,381,260 269,932 175,500	\$ 1,242,030 925,225 0	\$ 8,647,260 1,113,303 175,500	\$ 11,270,550 2,308,460 351,000
Total Highway	\$ 1,826,692	\$ 2,167,255	\$ 9,936,063	\$ 13,930,010
(Funds Obligated) Appalachian Development Highway System				
and Access Roads Grand Total	\$ 2,848,000 \$ 4,674,692	n.a. \$ 2,167,255	\$ 2,259,387 \$ 12,195,450	\$ 5,107,387 \$ 19,037,397



Kentucky

Population (in thousands)	1980	1985	Percentage of Change 1980-85
State Total	3,660.8	3,726.0	1.8%
Total of Counties in Appalachia	1,077.1	1,101.7	2.3%
Adair Bath Bell Boyd Breathitt Carter Casey Clark Clay Clinton Cumberland Elliott Estill Fleming Floyd Garrard Green Greenup Harlan Jackson Johnson Knott Knox Laurel Lawrence Lee Leslie Letcher Lewis Lincoln McCreary Madison Magoffin Martin Menifee Monroe	15.2 10.0 34.3 55.5 17.0 25.1 14.8 28.3 22.8 9.3 7.3 6.9 14.5 12.3 48.8 10.9 11.0 39.1 41.9 30.2 39.0 14.1 7.8 14.9 30.7 14.5 19.1 15.6 53.4 13.5 13.9 5.1 12.4	15.9 10.2 34.3 53.6 16.5 25.8 15.0 29.0 23.6 9.8 7.5 6.7 15.0 12.4 50.8 11.6 10.9 38.2 42.3 12.5 25.7 18.4 30.2 41.7 14.7 8.0 15.3 30.2 14.3 19.2 16.5 54.5 14.3 15.3 12.2	4.5% 1.3 -0.2 -3.4 -3.1 2.8 1.5 2.5 3.8 5.4 2.9 -2.7 3.7 0.8 4.1 6.8 -1.7 -2.4 1.0 3.8 5.2 2.5 -0.1 4.1 3.0 2.9 -1.6 -1.8 0.7 5.4 2.2 5.5 2.8 -1.1



Montgom e ry	20.0	20 5	2.4
Morgan	12.1	12.0	- 0.5
Owsľ e y	5.7	5.6	-2.6
Реггу Т	33.8	34.8	3.0
Pik e	81.1	82.9	2.2
Powell	11.1	12.0	7.7
Pulaskı	45 8	48.6	6.1
Rockcastle	14.0	14 6	4.4
Rowan	19.0	19.3	1.1
Russell	13 7	15.0	9.6
Wayne	17.0	17.7	3.8
Whitley	33.4	35.5	6.3
Wolfe	6.7	7 1	5.6

Source U.S. Bureau of the Census, 1980 Census of Populations, July 1, 1985. estimates. Tables processed from computer data derived by ARC Staff. Percentage of change calculated from unrounded numbers.



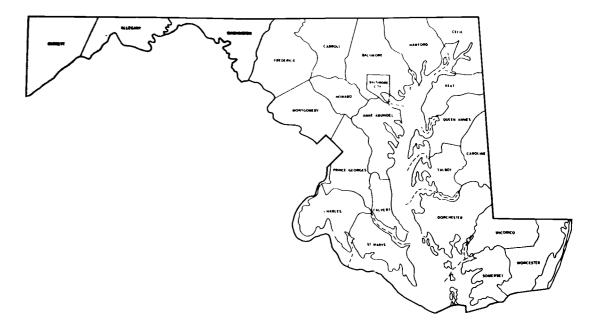
Project Totals in Fiscal Year 1986

Nonhighway (Projects Approved)	ARC Funds	Other Federal Funds	State and Local Funds	Total Eligible Costs
Vocational Education and Other Education Community Development Energy and Enterprise Development Environment and Natural Resources Housing Local Development District Planning and Administration Research and Technical Assistance	\$ 40,000 2,677,702 165,179 65,000 500,000 592,326 227,813	\$ 0 6,643,541 0 0 0	\$ 10,000 5,107,482 168,000 75,000 0 592,126 192,813	\$ 50,000 14,428,725 333,179 140,000 500,000 1,184,452 420,6
Total	\$ 4,268,020	\$ 6,643,541	\$ 6,145,421	\$ 17,056,982
Highway (Funds Obligated)				
Appalachian Development Highway System and Access Roads	\$ 7,340,424	n.a.	\$ 3,292,520	\$ 10,632,944
Grand Total	\$ 11,608,444	\$ 6,643,541	\$ 9,437,941	\$ 27,689,926



Maryland

Population (in thousands)	1980	1985	Percentage of Change 1980–85
State Total	4,217.0	4,392.0	4.2%
Total of Counties in Appalachia	220.1	215.8	-2.0%
Allegany Garrett Washington	80.5 26.5 113 1	76 2 26.7 112 8	- 5.4% 0.8 - 0.2



Source U.S. Bureau of the Census, 1980 Census of Populations, July 1, 1985, estimates. Tables processed from computer data derived by ARC Staff. Percentage of change calculated from unrounded numbers.

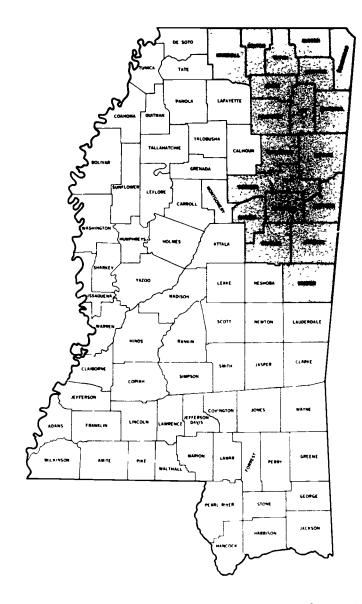
Project Totals in Fiscal Year 1986

Nonhighway (Projects Approved)	ARC Funds	Other Federal Funds	State and Local Funds	Total Eligible Costs
Vocational Education and Other Education Energy and Enterprise Development Housing Local Development District Planning and Administration	\$ 53,500 200,000 310,200 74,000	\$ 0 0 0 48,000	\$ 116,410 0 0 72,388	\$ 169,910 200,000 310,200 194,388
Total	\$ 637,700	\$ 48,000	\$ 188,798	\$ 874,498
Highway (Funds Obligated)				
Appalachian Development Highway System and Access Roads	<u>\$ 2,789,617</u>	n.a.	\$ 1,247,054	\$ 4,036,671
Grand Total	\$ 3,427,317	\$ 48,000	\$ 1,435,852	\$ 4,911,169

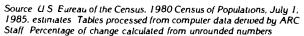


Mississippi

		1 9 85	1980-85
State Total	2,520.6	2,613.0	3.7%
Total of Counties in Appalachia	428.7	495.7	2. 7 %
Alcorn	33.0	33.0	0.0%
Benton	8.2	8.6	5. 8
Chickasaw	17. 9	18.1	1.4
Choctaw	9 .0	9.0	0.1
Clay	21.1	21.9	4.1
Itawamba	20.5	20.5	- 0.1
Kemper	10.1	10 3	1.2
Lee	57.1	60.8	6 .5
Lowndes	57.3	5 9 .2	3.2
Marshall	29 .3	32.2	10.0
Мопгое	36.4	36. 9	1.3
Noxubee	13.2	13.9	- 1.7
Oktibbeha	36.0	36.9	2.3
Pontotoc	20. 9	22.0	5.2
Prentiss	24.0	24.8	3.2
Tippah	18.7	18.9	0.0
Tishomingo	18.4	18.0	-2.1
Union	21.7	22.0	1.1
Webster	10.3	10.4	1.2
Winston	1 9 .5	19.2	- 1.5
Noxubee Oktibbeha Pontotoc Prentiss Tippah Tishomingo Union Webster	13.2 36.0 20.9 24.0 18.7 18.4 21.7	13.0 36.9 22.0 24.8 18.9 18.0 22.0 10.4	-1.7 2.3 5.2 3.2 0.0 -2.1 1.1 1.2









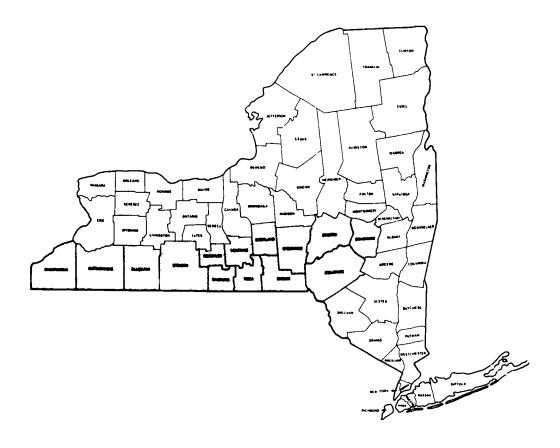
Project Totals in Fiscal Year 1986

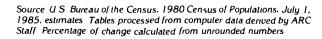
Nonhighway (Projects Approved)	ARC Funds	Other Federal Funds	State and Local Funds	Total Eligible Costs
Community Development	\$ 3,866,000	\$ 523,954	\$ 557,239	\$ 4,947,193
Energy and Enterprise Development	1,160,000	0	784,286	1,944,286
Other Programs and Special Demonstrations Local Development District	100,000	0	300,000	400,000
Planning and Administration	204,477	234,094	118,415	556,986
Research and Technical Assistance	243,000	88,125	154,875	486,000
Total	\$ 5,573,477	\$ 846,173	\$ 1,914,815	\$ 8,334,465
Highway (Funds Obligated)				
Appalachian Development Highway System				
and Access Roads	\$ 6,899,976	<u>n.a.</u>	\$ 2,158,103	\$ 9,058,079
Grand Total	\$ 12,473,453	\$ 846,173	\$ 4,072,918	\$ 17,392,544



New York

Population (in thousands)	1980	1985	Percentage of Change 1980-85
State Total	17,558.0	17,783.0	1.3%
Total of Counties in Appalachia	1,083.2	1,071.7	- 1.1%
Allegany	51.7	50. 9	- 1.6%
Broome	213.6	212.4	-0.6
Cattaraugus	8 5.7	8 5.3	-0.4
Chautauqua	146.9	144.2	- 1.8
Chemung	97.7	92.0	- 5. 8
Chenango	49.3	50.0	1.3
Cortland Cortland	48.8	47.4	- 2.9
Delaware	46.8	46.9	0.1
Otsego	59 .1	59.4	0.5
Schoharie	29.7	29.8	0.3
Schuyler	17.7	17.5	- 0.0
Steuben	99.2	97.3	- 1.9
Tioga	49.8	50 4	1.1
Tompkins	87 .1	88 .1	1.2







Project Totals in Fiscal Year 1986

Nonhighway (Projects Approved)	ARC Funds	Other Federal Funds	State and Local Funds	Total Eligible Costs
Child Development Vocational Education and Other Education Community Development Energy and Enterprise Development Local Development District Planning and Administration Research and Technical Assistance	\$ 59,217 345,000 510,200 184,038 166,033 264,176	\$ 0 18,030 180,000 0 58,949	\$ 117,097 1,525,826 778,150 440,707 107,084 264,176	\$ 176,314 1,888,856 1,468,350 624,745 332,066 528,352
Total	\$ 1,528,664	\$ 256,979	\$ 3,233,040	\$ 5,018,683
Highway (Funds Obligated)				
Appalachian Development Highway System and Access Roads	\$ 7,664,998	n.a.	\$ 5,103,613	<u>\$ 12,768,611</u>
Grand Total	\$ 9,193,662	\$ 256,979	\$ 8,336,653	\$ 17,787,294

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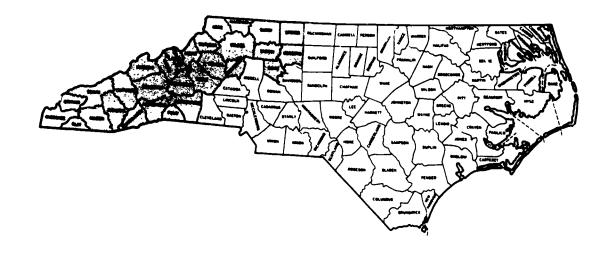


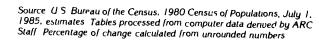
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North Carolina

Population (in thousands)	1980	1985	Percentage of Change 1980-8
State Total	5,881.8	6,255.0	6.3%
Total of Counties in Appalachia	1,217.7	1,286.2	5.6%
Alexander Alleghany Ashe Avery Buncombe Burke Caldwell Cherokee Clay Davie Forsyth Graham Haywood Henderson Jackson McDowell Macon Madison Mitchell Polk Rutherford Stokes Surry Swain Transylvania Watauga	25.0 9.6 22.3 14.4 160.9 72.5 67.7 18.9 6.6 243.7 7.2 46.5 58.6 25.8 35.1 20.2 16.8 14.4 13.0 53.8 33.1 59.4 10.3 23.4 31.7	26.8 9.7 23.6 15.0 16(-) 75.6 70.1 20.2 7.1 28.2 258.3 7.1 47.7 66.2 27.1 36.3 23.0 17.3 14.5 14.2 57.0 35.5 61.2 10.7 25.7 34.4	7.1% 1.3 5.5 4.3 4.4 4.3 3.5 6.7 7.0 14.7 6.0 - 1.0 2.6 13.0 5.1 3.3 14.2 2.5 0.3 9.4 5.9 7.3 2.9 4.0 9.6 8.6
Wilkes Yadkın Yancey	58.7 28.4 14 9	60.8 29.4 15.6	3.6 3.3 4.5







Nonhighway (Projects Approved)	ARC Funds	Other Federal Funds	State and Local Funds	Total Eligible Costs
Vocational Education and Other Education Community Development Local Development District Planning and Administration Research and Technical Assistance	\$ 50,000 1,374,581 387,077 463,400	\$ 0 2,147,717 335,659 15,000	\$ 0 1,750,830 915,686 448,400	\$ 50,000 5,273,128 1,638,422 926,800
Total	2,275,058	2,498,376	3,114,916	7,888,350
Highway (Funds Obligated)				
Appalachian Development Highway System and Access Roads	\$ 4,996,730	<u>n.a.</u>	\$ 1,317,142	\$ 6,313,872
Grand Total	\$ 7,271,788	\$ 2,498,376	\$ 4,432,058	\$ 14.202.222



Ohio

Population (in thousands)	1980	1985	Percentage of Change 1980-85
State Total	10,797.6	10,744.0	-0.5%
Total of Counties in Appalachia	1,262.6	1,274.9	0.0%
Adams	24 3	24 6	0.0%
A th e ns	56 4	57.5	2.0
Belmont	82 6	80.4	- 2.6
Brown	31.9	34 0	6.5
Carroll	25.6	26.9	5.1
Clermont	128.5	138.7	8 0
Coshocton	3 6.0	36 3	0.7
Gallia	3 0.1	30 2	0.4
Guernsey	42 0	41.0	-2.4
Harrison	18.2	16 5	-92
Highland	3 3 5	34.5	30
Hocking	24.3	24.7	1.6
Holmes	29 4	30 3	3 1
Jackson	30 6	30 3	-10
Jefferson	91.6	86 5	-56
Lawrence	63 8	63.0	-13
Meigs	23 6	23.7	0 4
Monroe	17 4	16.3	-60
Morgan Muselus sum	142	14.2	-02
Muskingum	83 3	84 4	12
Noble	113 310	113	-02
Perry Pike	22.8	31.7	23
Ross	22. 6 65.0	24 9	92
Scioto	84 5	67.9 83.3	4.5
Tuscarawas	84 5 84 6	83.3 85 4	-14
Vinton	11.6	114	00 -15
Washington	64 3	64 8	0.8



Source U.S. Bureau of the Census 1980 Census of Populations. July 1 1985: estimates: Tables processed from computer data derived by ARC Staff, Percentage of change calculated from unrounded numbers.



Nonhighway (Projects Approved)	ARC Funds	Other Federal Funds	State and Local Funds	Total Eligible Costs
Child Development Vocational Education and Other Education	\$ 165,000 291,995	\$ 42,602 86,697	\$ 122,407 205,306	\$ 330,009 583,998
Community Development	943,000	350,000	1,719,600	3,012,600
Energy and Enterprise Development Local Development District	414,145	127,929	274,859	816,933
Planning and Administration	171,701	130,625	214,096	5 16,422
Research and Technical Assistance	188,834	0	220,253	409,087
Total	\$ 2,174,675	\$ 737,853	\$ 2,756,521	\$ 5,669,049
Highway (Funds Obligated)				
Appalachian Development Highway System and Access Roads	\$ 1,738,170	n.a.	\$ 1,385,014	\$ 3,123,184
	=======================================		* 1,505,014	* 3,123,104
Grand Total	\$ 3,912,845	\$ 737,853	\$ 4,141,535	\$ 8,792,233

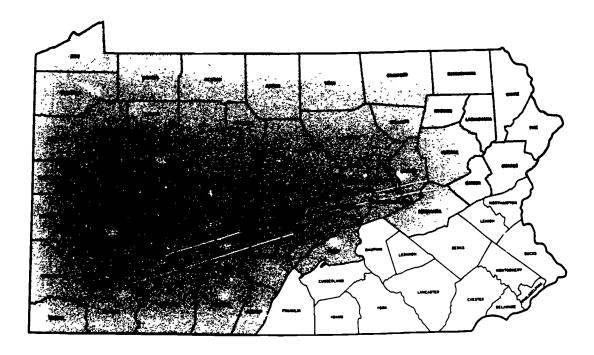






Pennsylvania

Population (in thousands)	1980	1985	Percentage of Change 1980–85
State Total	11,863.9	11,853.0	-0.1%
Total of Counties in Appalachia	5,994.2	5,888.3	- 1.8%
Allegheny Armstrong Beaver Bedford Blair Bradford Butler Cambria Cameron Carbon Centre Clarion Clearfield Clinton Columbia Crawford Elk Erie Fryette Forest Fulton Greene Huntingdon Indiana Jefferson Juniata Lackawanna Lawrence Luzerne Lycoming McKean Mercer Mifflin Monroe Montour	1,450.2 77.8 204.4 46.8 136.6 62.9 147.9 183.3 6.7 53.3 112.8 43.4 83.5 39.0 62.0 88.9 38.3 279.8 159.4 5.1 12.8 40.5 42.3 92.3 48.3 19.2 227.9 107.2 343.1 118.4 50.6 128.3 46.9 69.4 16.7	1,388.3 78.7 194.7 47.7 132.5 63.6 150.5 175.1 6.6 53.9 113.1 42.6 82.8 37.6 61.1 89.1 37.4 280.6 157.1 4.8 13.8 41.0 42.8 92.4 48.4 19.9 222.9 104.1 332.8 116.1 48.3 124.2 46.2 79.0 16.8	-4.3% 1.2 -4.8 2.0 -3.0 1.1 1.7 -4.5 -1.3 1.2 0.3 -1.8 -0.9 -3.5 -1.4 0.2 -2.5 0.3 -1.5 -4.6 7.1 1.2 1.2 0.1 0.3 3.6 -2.2 -2.8 -3.0 -2.0 -4.7 -3.2 -1.6 13.8 1.0
Northumberland	100.4	99.3	- 1.1



Perry	35.7	37.7	5.6
Pike	18.3	21.3	16.5
Potter	17.7	18.3	3.0
Schuylkill	160.6	155.8	-3.6
Snyder	33.6	35.3	5.2
Somerset	81.2	81.2	0.0
Sullivan	6.3	6.2	- 2.8
Susquehanna	37.9	39.3	3.7
Tioga	41.0	39.9	-2.6
Union	32.9	34.5	4.9
Venango	64.4	62.9	-2.4
Warren	47.4	47.0	-0.9
Washington	217.1	214.0	- 1.4
Wayne	35.2	38.2	8.5
Westmoreland	392.2	383.3	-2.3
Wyoming	26.4	27.7	4.8

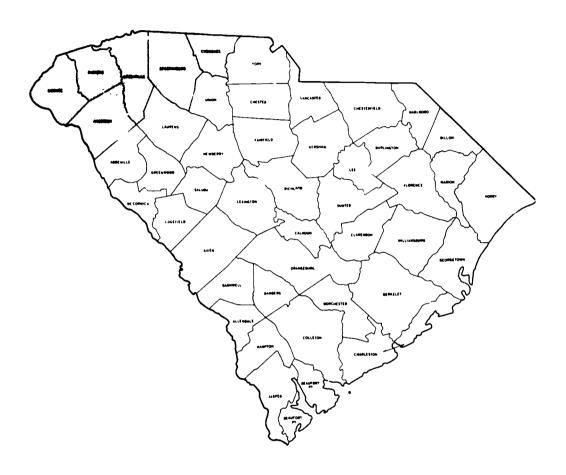
Source U.S. Bureau of the Census. 1980 Census of Populations, July 1, 1985. estimates. Tables processed from computer data derived by ARC Staff. Percentage of change calculated from unrounded numbers.

Nonhighway (Projects Approved)	ARC Funds	Other Federal Funds	State and Local Funds	Total Eligible Costs
Community Development Energy and Enterprise Development Housing Local Development District Planning and Administration Research and Technical Assistance Total	\$ 100,000 2,779,500 40,000 494,000 579,334 \$ 3,992,834	\$ 0 745,447 0 121,160 0 \$ 866,607	\$ 225,348 2,753,881 40,000 372,840 560,162 \$ 3,952,231	\$ 325,348 6,278,828 80,000 988,000 1,139,496 \$ 8,811,672
Highway (Funds Obligated) Appalachian Development Highway System and Access Roads	\$ 14,068,314	n.a.	\$ 4,456,858	\$ 18,525,172
Grand Total	\$ 18,061,148	\$ 866,607	\$ 8,409,089	\$ 27,336,844



South Carolina

Population (in thouse ids)	1980	1985	Percentage of Change 1980-85
State Total	3,121.8	3,347.0	7.2%
Total of Counties in Appalachia	793.0	831 9	4.9%
An ders on	133.2	139.6	4.8%
Cherokee	41.0	41.1	0.2
Gr e enville	287.9	302.9	5.2
Oconee	48.6	51.6	6.1
Pickens	79 3	85.5	7.8
Spartanburg	203.0	211.2	4.0



Source (IS Bureau of the Census, 1980 Census of Populations, July 1, 1985, estimates Tables processed from computer data derived by ARC Staff Percentage of change calculated from unrounded numbers

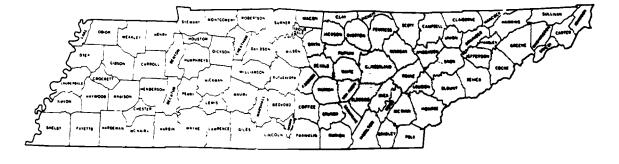


Nonhighway (Projects Approved)	ARC Funds	Other Federal Funds	State and Local Funds	Total Eligible Costs
' ocational Education and Other Education Community Development	\$ 5 9 1,6 8 6 1,1 0 5,440	\$ 0 5 9 4,216	\$ 541,688 1,1 08 ,563	\$ 1,133,374 2, 80 8,21 9
Local Development District		·		
Planning and Administration Research and Technical Assistance	148,372 25, 000	24, 0 00 0	125,63 9 	2 98 ,611 25, 000
Total	\$ 1,871,098	\$ 618,216	\$ 1,775,890	\$ 4,265,204
Highway (Funds Obligated)				
Appalachian Development Highway System				
and Access Roads	<u>\$ 1,328,969</u>	<u>n.a.</u>	\$ 3,300,978	\$ 4,62 9,9 47
Grand Total	\$ 3,200,067	\$ 618,216	\$ 5,076,868	\$ 8,895,151



Tennessee

Population (in thousands)	1980	1985	Percentage of Change 1980-85
State Total	4,591.1	4,762.0	3.7%
Total of Counties in Appalachia	2,073.8	2,142.4	3.3%
Anderson	67.3	6 9 .2	2.8%
Bledsoe	9.5	9 .6	12
Blount	77.8	81.6	5.0
Bradley	67 5	71.3	5.6
Campbell	34.9	35.4	1.4
Cannon	10.2	10.7	4 8
Carter	50.2	51.7	2.9
Claiborne	24.6	26.8	9.0
Clay	7.7	78	17
Cocke	28.8	29 5	23
Coffee	38.3	40.6	5.9
Cumberland	28.7	31.0	8.1
De Kalb	13.6	14.1	3.9
Fentress	14.8	15.7	6.1
Franklin	32.0	33.4	4.3
Grainger	16.8	17.4	4.0
Greene	54.4	56.8	4 5
Grundy	13.8	14.4	4.7
Hamblen	49.3	53.6	8.7
Hamilton	287.7	284.5	- 1.1
Hancock	6. 9	6.9	0.4
Hawkins	43.8	45.4	3.7
Jackson	9.4	9.3	-09
Jefferson	31.3	33 2	6.3
Johnson	13 7	14.1	2.4
Knox	319.7	332.2	3 9
Loudon	28.6	3∪.3	6.0
McMinn	41.9	43.0	2.6
Macon	15.7	16.0	2.0
Marion	24.4	24.8	1.4
Meigs	7.4	7.9	6.4
Monroe	28 7	30.3	5.5
Morgan	166	16 9	1.8
Overton	17.6	17.8	1.4
Pickett	4.4	4.4	1.4
Polk	13.6	13.8	1.7



Putnam	47.7	50.7	6.2
Rhea	24 2	24.9	26
Roane	48.4	49.5	2.3
Scott	19.3	20.4	5.9
Sequatchie	8.6	8.8	2.5
Sevier	41.4	46.7	127
Smith	14 9	14 5	- 2.7
Sullivan	144.0	146.1	1.5
Unicoi	16.4	16. 9	3.1
Union	11.7	12 3	4.8
Van Buren	4.7	4.9	27
Warren	32 7	33.5	2.6
Was hington	88.8	92.1	3.7
White	1 9 .6	198	0.0

Source US Burcau of the Census. 1980 Census of Population: July 1, 1985. estimates Tables processed from computer data derive. ARC Staff Percentage of change calculated from unrounded numbers

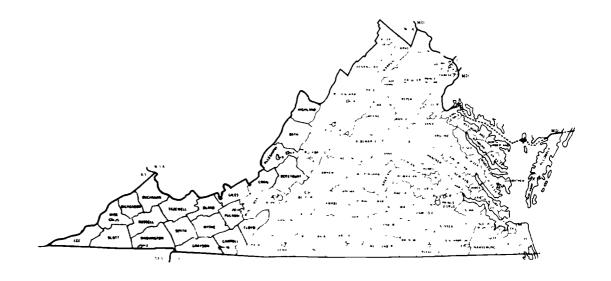


Nonhighway (Projects Approved)	ARC Funds	Other Federal Funds	State and Local Funds	Total Eligible Costs
Community Development Other Programs and Special Demonstrations Local Development District Planning and Administration Research and Technical Assistance	\$ 7,048,766 750,000 336,000 150,000	\$ 800,000 392,000 43,134 0	\$ 10,843,093 2,250,000 294,828 	\$ 18,691,859 3,392,000 673,962 300,000
Total	\$ 8,284,766	\$ 1,235,134	\$ 13,537,921	\$ 23,057,821
Highway (Funds Obligated)				
Appalachian Development Highway System and Access Roads	\$ 5,654,000	n.a.	\$ 2,157,759	\$ 7,811,759
Grand Total	\$ 13,938,766	\$ 1,235,134	\$ 15,695,680	\$ 30,869,580



Virginia

Population (in thousands)	1980	1985	Percentage of Change 1980–85
State Total	5,346.8	5,706.0	3.7%
Total of Counties in Appalachia	549.9	550.6	0.1%
Alleghany Bath Bland Botetourt Buchanan Carroll Craig Dickenson Floyd Giles Grayson Highland Lee Pulaski Russell Scott Smyth Tazewell Washington Wise Wythe Bristol Clifton Forge Covington Galax	14.3 5.9 6.3 23.3 38.0 27.3 3.9 19.8 11.6 2.9 26.0 35.2 31.8 25.1 33.3 50.5 46.5 43.9 25.5 19.0 5.0 9.1 6.5	13 9 5.3 6.4 24.4 36.5 27.6 4.2 20.0 11 8 17.6 16.5 3.0 26.8 34.5 32.3 25 6 33.2 50.9 47.0 45 2 25.5 18.0 50 7.8	-33% -9.1 1.0 4.7 -3.8 1 1 5 6 1.2 1 8 -1 3 -0.7 3.8 3 2 -2.0 1.8 2 0 -0.3 0.7 1 2 3 1 0.0 -5.7 -0 3 -14.1 5.1
Notion	48	47	-06



Source U.S. Bureau of the Census 1980 Census of Populations, July 1, 1985 estimates. Tables processed from computer data derived by ARC Staff. Percentage of change calculated from unrounded numbers.

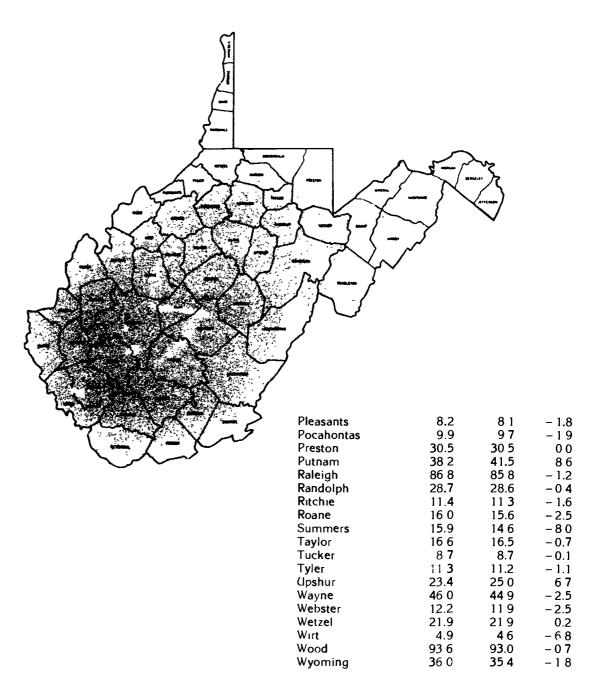


Nonhighway (Projects Approved)	ARC Funds	Other Federal Funds	State and Local Funds	Total Eligible Costs
Community Development Environment and Natural Resources Local Development District	\$ 928,000 51,150	\$ 1,174, 5 86 0	\$ 2,971,067 68,850	\$ 5,073,6 5 3 120,000
Planning and Administration Research and Technical Assistance	331,632 58,047	221,161 0	2 55 ,991 30,194	808,784 88,241
Total	\$ 1,368,829	\$ 1,395,747	\$ 3,326,102	\$ 6,090,678
Highway (Funds Obligated)				
Appalachian Development Highway System and Access Roads	\$ 2,763,761	n.a.	\$ 1,350,186	\$ 4,113,947
Grand Total	\$ 4,132,590	\$ 1,395,747	\$ 4,676,288	\$ 10,204,625



West Virginia

Population (in thousands)	1986	1985	Percentage of Change 1980-85
State Total	1,950.2	1,936.1	-0.7%
Total of Counties in Appalachia	1,950.2	1,936.1	-0.7%
Barbour Berkeley Boone Braxton Brooke Cabell Calhoun Clay Doddridge Fayette Gilmer Grant Greenbrier Hampshire Hancock Hardy Harrison Jackson Jefferson Kanawha Lewis Lincoln Logan McDowell Marion Marshall Mason Mercer Mineral Mingo Monongalia Monroe Morgan Nicholas Ohio Pendleton	16.6 46.8 30.4 13.9 31.1 106.8 8.3 11.3 7.4 57.9 8.3 10.2 37.7 14.9 41.1 10.0 77.7 25.8 30.3 231.4 18.8 23.7 50.7 49.9 65.8 41.6 27.0 73.9 27.2 37.3 75.0 12.9 10.7 28.1 61.4 7.9	16.7 50 5 30 1 14.8 29.9 106.3 8.2 11.4 7 7 56.5 9 8 38.8 16.1 39.5 9.9 76 1 26 4 32 9 227.6 18 9 21 2 46 4 65.0 40 1 26.0 71 3 27 8 37 0 78.2 12.2 10.2 28 4 59.2 7.9	0.6% 8.0 -1.2 6.7 -3.9 -0.5 -0.3 1.0 3.0 -2.4 1.8 -4.3 2.9 8.0 -3.7 -1.2 -2.0 2.2 8.6 -1.7 0.7 -10.5 -0.9 -6.9 -1.2 -3.7 -3.8 -3.5 2.1 -0.8 4.2 -5.1 0.9 -3.6 -0.6



Source U.S. Bureau of the Census, 1980 Census of Populations, July 1 1985 estimates. Tables processed from computer data derived by ARC Staff. Percentage of change calculated from unrounded numbers.



Nonhighway (Projects Approved)	ARC Funds	Other Federal Funds	State and Local Funds	Total Eligible Costs
Vocational Education and Other Education Community Development Local Development District Planning and Administration Research and Technical Assistance	\$ 425,000 3,153,977 573,262 110,000	\$ 0 16,110,645 614,500 0	\$ 158,000 6,585,472 702,703 30,000	\$ 583,000 25,850,094 1,890,465 140,000
Total	\$ 4,262,239	\$ 16,725,145	\$ 7,476,175	\$ 28,463,559
Highway (Funds Obligated)				
Appalachian Development Highway System and Access Roads	\$ 16,218,765	n.a.	\$ 5,029,076	\$ 21,247,841
Grand Total	\$ 20,481,004	\$ 16,725,145	\$ 12,505,251	\$ 49,711,400



Local Development Districts in the Appalachian Region September 30, 1986 Maryland Kentucky Virginia Tennessee North Carolina South Carolina This map includes districts on the border of the Georgia Region containing both Appalachian and non-Appalachian counties. The non-Appalachian counties are indicated by brotten boundary



Alabama

lines.

Local Development **Districts**

See the map opposite.

Alabama

1A: Northwest Alabama Council of Local Governments P.O. Box 2603 Muscle Shoals, Alabama 35660 205/383-3361

> Counties: Colbert, Franklin, Lauderdale, Marion, Winston

1B: North Centra' Alabama Regional Council of Governments P.O. Box 🗘 Decatur. Alabama 35602 205/355-4515

Counties: Cullman, Lawrence, Morgan

IC: Top of Alabama Regional Council of Governments 115 Washington Street, S.E. Huntsville, Alabama 35801 205/533-, 330

> Counties: DeKalb, Jackson, Limestone, Madison, Marshall

1D: West Alabama Planning and Development 7601 Cardinal Airport Road Tuscaloosa, Alabama 35406 205/345-5545

> Counties: Bibb, Fayette, Lamar, Pickens, Tuscaloosa (Greene, Hale)

1E: Birmingham Regional Planning Commission 2112 Eleventh Avenue, South Magnolia Office Park, Suite 220 Birmingham, Alabama 35256 205/251-8139

Counties: Blount, Chilton, Jefferson, St. Clair, Shelby, Walker

1F: East Alabama Regional Planning and **Development Commission** P.O. Box 2186 Anniston, Alabama 36202 205/237-6741

> Counties: Calhoun, Chambers, Cherokee, Clay, Cleburne, Coosa, Etowah, Randolph Talladega, Tallapoosa

1H: Central Alabama Regional Planning and **Development Commission** 2911 Zelda Road, Suite A Montgomery, Alabama 36106 205/271-2866

Counties. Elmore (Autauga, Montgomery)

Georgia

2A: Coosa Valley Area Planning and Development Commission P.O. Drawer H. Jackson Hill Drive Kome, Georgia 30163 404/295-6485

> Counties: Bartow, Catoosa, Chattooga, Dade, Floyd, Gordon, Haralson, Paulding, Polk. Walker

2B: Georgia Mountains Planning and **Development Commission** P.O. Box 1720 Gainesville, Georgia 30503 404/536-3431

> Counties: Banks, Dawson, Forsyth, Franklin, Habersham, Hall, Lumpkin, Rabun, Stephens, Towns, Union, White (Hart)

2C: Chattahoochee-Flint Area Planning and **Development Commission** P.O. Box 2308 Newnan, Georgia 30264 404/253-8521

> Counties: Carroll, Heard (Coweta, Meriwether, Troup)

2D: Atlanta Regional Commission **Suite 1801** 100 Edgewood Avenue, N.E. Atlanta, Georgia 30335 404/656-7700

> Counties: Douglas, Gwinnett (Clayton, Cobb, DeKalb, Fulton, Rockdale)

2E: Northeast Georgia Area Planning and **Development Commission** 305 Research Drive Athens, Georgia 30601 404/548-3141

> Counties: Barrow, Jackson, Madison (Clarke, Elbert, Greene, Morgan, Oconee, Oglethorpe, Walton)

2F: North Georgia Area Planning and Development Commission 503 W. Waugh Street Dalton, Georgia 30720 404/272-2300

> Counties: Cherokee, Fannin, Gilmer, Murray, Pickens, Whitfield

Kentucky

3A: Buffalo Trace Area Development District. 327 West Second Street Maysville, Kentucky 41056 606/564-6894

> Counties: Fleming, Lewis (Bracken, Mason, Robertson)

Note Parentheses indicate non-Appalachian counties and independent cities included with the development districts



3B: FIVCO Area Development District P.O. Box 636 Catlettsburg, Kentucky 41129 606/739-5191

Counties: Boyd, Carter, Elliott, Greenup, Lawrence

3C: Bluegrass Area Development District, Inc. 3220 Nicholasville Road
Lexington, Kentucky 40503
606/272-6656

Counties: Clark, Estill, Garrard, Lincoln, Madison, Powell (Anderson, Bourbon, Boyle, Fayette, Franklin, Harrison, Jessamine, Mercer, Nicholas, Scott, Woodford)

3D: Gateway Area Development District, Inc. P.O. Box 1070
Owingsville, Kentucky 40360
606/674-6355

Counties: Bath, Menifee, Montgomery, Morgan, Rowan

3E: Big Sandy Area Development District, Inc. 2nd Floor, Municipal Building Prestonburg, Kentucky 41653 606/886-2374

Counties: Floyd, Johrson, Magoffin, Martin, Pike

3F: Lake Cumberland Area Development District, Inc. P.O. Box 570 Russell Springs, Kentucky 42642 502/866-4200

> Counties: Adair, Casey, Clinton, Cumberland, Green, McCreary, Pulaski, Russell, Wayne (Taylor)

3H: Cumberland Valley Area Development District, Inc. ADD Office Building London, Kentucky 40741 606/864-7391

Counties: Bell, Clay, Harlan, Jackson, Knox, Laurel, Rockcastle, Whitley

3I: Kentucky River Area Development District, Inc. 381 Perry County Park Road Hazard, Kentucky 41701 606/436-3158

Counties: Breathitt, Knott, Lee, Leslie, Letcher, Owsley, Perry, Wolfe

3J: Barren River Area Development District, inc.
P.O. Box 2120
Bowling Green, Kentucky 42101
502/781-2381

Counties: Monroe (Allen, Barren, Butler, Edmonson, Hart, Logan, Metcalfe, Simpson, Warren)

Maryland

4A: Tri-County Council for Western Maryland, Inc.
72 Pershing Street
Cumberland, Maryland 21501
301/777-2158

Counties: Allegany, Garrett, Washington

Mississippi

 5A: Northeast Mississippi Planning and Development District
 P.O. Box 6D
 Booneville, Mississippi 38829
 601/728-6248 Counties: Alcorn, Benton, Marshall, Prentiss, Tippah, Tishomingo

5B: Three Rivers Planning and Development
 District
 P.O. Drawer B
 Pontotoc, Mississippi 38863
 601/489-2415

Counties: Chickasaw, Itawamba, Lee, Monroe, Pontotoc, Union (Calhoun, Lafayette)

5C: Golden Triangle Planning and
Development District
P.O. Drawer DN
Mississippi State, Mississippi 39762
601/325-3855

Counties: Choctaw, Clay, Lowndes, Noxubee, Oktibbeha, Webster, Winston

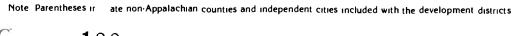
5D: East Central Mississippi Planning and Development District
P.O. Box 499
Newton, Mississippi 39345
601/683-2007

Counties: Kemper (Clarke, Jasper, Lauderdale, Leake, Neshoba, Newton, Scott, Smith)

New York

6A: Southern Tier West Regional Planning and Development Board 445 Broad Street Salamanca, New York 14779 716/945-5301

Counties: Allegany, Cattaraugus, Chautauqua





6B: Southern Tier Central Regional Planning and Development Board 53½ Bridge Street Corning, New York 14830 607/962-3021 and 962-5092

Counties: Chemung, Schuyler, Steuben

6C: Southern Tier East Regional Planning and Development Board
84 Hawley Street
Binghamton, New York 13901-3904
607/724-1327

Counties: Broome, Chenango, Cortland, Delaware, Otsego, Schoharie, Tioga, Tompkins

North Carolina

7A: Southwestern North Carolina Planning and Economic Development Commission P.O. Drawer 850
Bryson City, North Carolina 28713 704/488-9211

Counties: Cherokee, Clay, Graham, Haywood, Jackson, Macon, Swain

7B: Land-of Sky Regional Council 25 Heritage Drive Asheville, North Carolina 28806 704/254-8131

Counties: Buncombe, Henderson, Madison, Transylvania

7C: Isothermal Planning and Development Commission P.O. Box 841 Rutherfordton, North Carolina 28139 704/287-2281

Counties: McDowell, Polk, Rutherford (Cleveland)

7D: Region D Council of Governments P.O. Box 1820 Boone, North Carolina 28607 704/264-5558

Counties: Alleghany, Ashe, Avery, Mitchell, Watauga, Wilkes, Yancey

7E: Western Piedmont Council of Governments 30 Third Street, N.W. Hickory, North Carolina 28601 704/322-9191

Counties: Alexander, Burke, Caldwell (Catawba)

71: Northwest Piedmont Council of Governments 280 South Liberty Street Winston-Salem, North Carolina 27101 919/722-9346

Counties: Davie, Forsyth, Stokes, Surry, Yadkin

Ohio

8A: Ohio Valley Regional Development Commission Griffin Hall 740 Second Street Portsmouth, Ohio 45662 614/354-7795

Counties: Adams, Brown, Clermont, Gallia, Highland, Jackson, Lawrence, Pike, Ross, Scioto, Vinton

8B: Buckeye Hills-Hocking Valley Regional Development District, Inc.
216 Putnam Street
St. Clair Building, Suite 410
Marietta, Ohio 45750
614/374-9436

Counties: Athens, Hocking, Meigs, Monroe, Morgan, Noble, Perry, Washington

8C: Ohio Mid-Eastern Governments
Association
P.O. Box 130
Cambridge, Ohio 43725
614/439-4471

Counties: Belmont, Carroll, Coshocton, Guernsey, Harrison, Holmes, Jefferson, Muskingum, Tuscarawas

Pennsylvania

9A: Northwest Pennsylvania Regional Planning and Development Commission Biery Building, Suite 406 Franklin, Pennsylvania 16323 814/437-3024

Counties: Clarion, Crawford, Erie, Forest, Lawrence, Mercer, Venango, Warren

9B: North Central Pennsylvania Regional Planning and Development Commission P.O. Box 488 Ridgway, Pennsylvania 15853 814/773-3162

Counties: Cameron, Clearfield, Elk, Jefferson, McKean, Potter

9C: Northern Tier Regional Planning and Development Commission 507 Main Street Towanda, Pennsylvania 18848 717/265-9103

Counties: Bradford, Sullivan, Susquehanna, Tioga, Wyoming

Note Parentheses indicate non-Appalachian counties and independent cities included with the development districts



9D: Economic Development Council of Northeastern Pennsylvania 1151 Oak Street Pittston, Pennsylvania 18640-3795 717/655-5581

Counties: Carbon, Lackawanna, Luzerne, Monroe, Pike, Schuylkill, Wayne

9E: Southwestern Pennsylvania Economic Development District 110 Market Street Pittsburgh, Pennsylvania 15222 412/391-1240

Counties: Allegheny, Armstrong, Beaver, Butler, Fayette, Greene, Indiana, Washington, Westmoreland

9F: Southern Alleghenies Planning and Development Commission 1506 - 11th Avenue, Suite 100 Altoona, Pennsylvania 16601 814/946-1641

Counties: Bedford, Blair, Cambria, Fulton, Huntingdon, Somerset

9G: SEDA-COG R.D. No. 1 Lewisburg, Pennsylvania 17837 717/524-4491

> Counties: Centre, Clinton, Columbia, Juniata, Lycoming, Mifflin, Montour, Northumberland, Snyder, Union (Perry)

South Carolina

10A: South Carolina Appalachian Council of Governments
P.O. Drawer 6668
Greenville, South Carolina 29606
803/2+2-9733

Counties: Anderson, Cherokee, Greenville, Oconee, Pickens, Spartanburg

Tennessee

11A: Upper Cumberland Development District 1225 Burgess Falls Road Cookeville, Tennessee 38501 615/432-4111

> Counties: Cannon, Clay, Cumberland, DeKalb, Fentress, Jackson, Macon, Overton, Pickett, Putnam, Smith, Van Buren, Warren, White

11B: East Tennessee Development District P.O. Box 19806 Knoxville, Tennessee 37919 615/584-8553

> Counties: Anderson, Blount, Campbell, Claiborne, Cocke, Grainger, Hamblen, Jefferson, Knox, Loudon, Monroe, Morgan, Roane, Scott, Sevier, Union

11C: First Tennessee Development District 207 N. Boone Street, Suite 800 Johnson City, Tennessee 37601 615/928-0224

> Counties: Carter, Greene, Hancock, Hawkins, Johnson, Sullivan, Unicoi, Washington; Washington County, Virginia

11D: South Central Tennessee Development
District
P.O. Box 1346
Columbia, Tennessee 38401
615/381-2040

Counties: Coffee, Franklin (Bedford, Giles, Hickman, Lawrence Lewis, Lincoln, Marshall, Maury, Moore, Perry, Wayne)

11E: Southeast Tennessee Development District 216 West 8th Street Suite 300 Chattanooga, Tennessee 37402 615/266-5781

Counties: Bledsoe, Bradley, Grundy, Hamilton, McMinn, Marion, Meigs, Polk, Rhea, Sequatchie

Virginia

12A: LENOWISCO Planning District Commission P.O. Box 366 Duffield, Virginia 24244 703/431-2206

Counties: Lee, Scott, Wise, City of Norton

12B: Cumberland Plateau Planning District P.O. Box 548 Lebanon, Virginia 24266 703/889-1778

Counties: Buchanan, Dickenson, Russell, Tazewell

12C: Mount Rogers Planning District Commission 1021 Terrace Drive Marion, Virginia 24354 703/783-5103

Counties: Bland, Carroll, Grayson, Smyth, Washington, Wythe, Cities of Bristol and Galax

12D: New River Valley Planning District Commission P.O. Box 3726 Radford, Virginia 24143 703/639-9313

Counties: Floyd, Giles, Pulaski (Montgomery and City of Radford)

Note Parentheses indicate non Appalachian counties and independent cities included with the development districts



12E: Fifth Planning District Commission P.O. Drawer 2569
Roanoke, Virginia 24010
703/343-4417

Counties: Alleghany, Botetourt, Craig and Cities of Clifton Forge and Covington (Roanoke County and Cities of Roanoke and Salem)

12F: Central Shenandoah Planning District Commission P.O. Box 1337 Staunton, Virginia 24401 703/885-5174

Counties: Bath, Highland (Augusta, Rockbridge, Rockingham and Cities of Buena Vista, Harrisonburg, Lexington, Staunton and Waynesboro)

West Virginia

13A: Region 1 Planning and Development Council P.O Box 1442 Princeton, West Virginia 24740 304/425-9508

Counties: McDowell, Mercer, Monroe, Raleigh, Summers, Wyoming

13B: Region 2 Planning and Development Council P.O. Box 939 Huntington, West Virginia 25712 304/529-3357

Counties: Cabell, Lincoln, Logan, Mason, Mingo, Wayne; Boyd County, Kentucky, and Lawrence County, Ohio

13C: BCKP Regional Intergovernmental Council—Region 3 1223 Leone Lane Dunbar, West Virginia 25064 304/768-8131

Counties: Boone, Clay, Kanawha, Putnam

13D: Region 4 Planning and Development Council (Gauley) 500B Main Street Summersville, West Virginia 26651 304/872-4970

Counties: Fayette, Greenbrier, Nicholas, Pocahontas, Webster

13E: Mid-Ohio Valley Regional Council— Region 5 P.O. Box 247 Parkersburg, West Virginia 26102 304/485-3801

Counties. Calhoun, Jackson, Pleasants, Ritchie, Roane, Tyler, Wirt, Wood

13F: Region 6 Planning and Development Council 200 Adams Street Fairmont, West Virginia 26554 304/366-5693

Counties: Doddridge, Harrison, Marion, Monongalia, Preston, Taylor

13G: Region 7 Planning and Development Council 40 Chancery Street Buckhannon, West Virginia 26201 304/472-6564

Counties. Barbour, Braxton, Gilmer, Lewis, Randolph, Tucker, Upshur

13H: Region 8 Planning and Development Council P O. Box 887 Petersburg, West Virginia 26847 304/257-1221

Counties: Grant, Hampshire, Hardy, Mineral, Pendleton

13I: Eastern Panhandle Regional Planning and Development Council—Region 9 121 W/ King Street Martinsburg, West Virginia 25401 304/263-1743

Counties: Berkeley, Jefferson, Morgan

13J: Bel-O-Mar Regional Council and Planning Commission—Region 10 P.O. Box 2086 Wheeling, West Virginia 26003 304/242-1800

Counties: Marshall, Ohio, Wetzel, Belmont County, Ohio

13K: B.H.J Planning Commission—Region 11 814 Adams Street Steubenville, Ohio 43952 614/282-3685

Counties: Brooke, Hancock, Jefferson County, Ohio



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March 31, 1987

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